APRIL 1962

FIFTY CENTS

MONTHLY REVIEW

AN INDEPENDENT SOCIALIST MAGAZINE

Special 64-Page Issue

VOL. 13

12

THE MENACE OF PREVENTIVE WAR

THE EDITORS

WHAT HAPPENED IN BRITISH GUIANA

JANET JAGAN

THE PEOPLE'S MILITIA IN THE SOVIET UNION

RALPH MILIBAND

Who Governs in America? H. H. WILSON

LIBRARY.UCSC.EDU
ELECTRONIC REPRODUCTION PROHIBITED

CONTENTS

VOLUME THIRTEEN NUMBER TWELVE APRIL 1962

REVIEW OF THE MONTH: The Menace of Preventive War 545
Some Lessons from British Guiana 553
WHAT HAPPENED IN BRITISH GUIANA by Janet Jagan 559
THE PEOPLE'S MILITIA IN THE SOVIET UNION by Ralph Miliband 568
A SOVIET EXPERIMENT by Alexander S. Balinky 579
CUBA AND PUNTA DEL ESTE from The Empire Star 587
WORLD EVENTS by Scott Nearing 591
BOOKS:
WHO GOVERNS IN AMERICA? by H. H. Wilson 597
A BOOK ANNOUNCEMENT by The Editors 604

MONTHLY REVIEW: Published monthly except July and August when bimonthly, and copyright, ©1962, by Monthly Review, Inc. Second class postage paid at New York, N. Y.
EDITORIAL AND BUSINESS: 333 Sixth Avenue, New York 14, New York. Telephone: CHelsea 2-6494.
NEWSSTAND DISTRIBUTOR: B. De Boer, 102 Beverly Road, Bloomfield, N. J.
SUBSCRIPTION PRICE: One Year—$5; two years—$9.
By 1st class mail—United States $7; everywhere else $8.
By air mail—No. America $9; So. America $14; Europe $18; Asia and Africa $24.
EDITORS: Leo Huberman and Paul M. Sweezy.

NOTES FROM THE EDITORS

The big news of the month is from the book-publishing front. First, for an announcement of the forthcoming publication of what is in some ways MR Press's most important book to date, see page 604. Second, we are now able to announce that Harvey O'Connor's long-awaited work *World Crisis in Oil* will come out late in August. *World Crisis in Oil* (for full contents see back cover) is a big book, approximately 448 pages, and it will be expensive, $7.50. But at the prepublication price of $4.50 it is a real bargain. *World Crisis* is a sequel to O'Connor's *The Empire of Oil,* first published in 1955 and long out of print. In response to many requests, we are now reprinting *Empire* simultaneously with *World Crisis.* Its price will be $5, prepublication $3. The two works will have a common format and will be available boxed together. The combined price will be

(*continued on inside back cover*)

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

THE MENACE OF PREVENTIVE WAR

Under the title "The Road to Disarmament: the Military Background to the Geneva Talks,"* P. M. S. Blackett, Nobel Prize-winning British physicist and one of the world's leading authorities on nuclear warfare, has assembled facts and figures on the military programs and strategies of the United States and the Soviet Union which ought to be known and pondered by everyone everywhere.

Relying exclusively on authoritative Western sources, most notably public statements of the highest officials of the United States Defense Department, Blackett demonstrates conclusively that the nuclear striking power of the United States, measured in terms of bomb stockpiles and operational delivery systems, is many times as large as that of the USSR: the disparity, he suggests, may even be of the order of 30 to 1. All the evidence goes to show that Roswell Gilpatric, Deputy Secretary of Defense, was not exaggerating when he said last October 22nd:

> The total number of our nuclear delivery vehicles, tactical as well as strategic, is in the tens of thousands: and of course we have more than one warhead for each vehicle. . . . We have a second-strike capability which is at least as extensive as what the Soviets can deliver by striking first, therefore we can be confident that the Soviets will not provoke a major conflict.**

Professor Blackett agrees: "Even assuming," he writes, "that the Washington figures are only approximately correct,

---

* *The New Statesman*, March 2, 1962.

** "First strike" is what the Japanese did at Pearl Harbor. "Second strike" is what the victim of a first strike can deliver by way of retaliation. What Gilpatric is saying, therefore, is that if the Soviet Union were to drop its entire nuclear arsenal on United States military targets (for it is generally agreed that a first strike would concentrate on military targets), the United States would still be able to retaliate with just as powerful a counter-attack. It would be logically impossible to maintain the same proposition in reverse since a first strike from the U.S. would be certain to destroy some of the Soviet Union's retaliatory power, and in all probability, a large proportion of it.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

the possibility of a rationally planned surprise nuclear attack by the Soviet Union on the nuclear delivery system of the West must be now, and always must have been, quite negligible."

This situation naturally raises two questions: First, why have the Russians allowed themselves to fall so far behind? And second, why have the Americans wanted to get so far ahead? Let us consider these questions in turn.

One thing is perfectly clear: the Russians have not fallen so far behind because of a lack of ability to keep up. An important article in the February 15th issue of *The Reporter* by Senator Stuart Symington, one of the militarily best informed American legislators, throws a most revealing light on this subject. Prior to the beginning of 1960, U.S. assessments of Soviet capacity to deliver nuclear weapons were based on estimates of what the Russians could produce in the way of intercontinental missiles (ICBM's) and heavy bombers if they wanted to, the implicit assumption being that of course they would aim for the greatest striking power achievable. After the beginning of 1960, the method was changed to provide the closest possible estimate of what they actually had produced or would (not could) produce at any given time in the future. The difference in results obtained by the two methods is truly astonishing. In December, 1959, an estimate of the number of ICBM's the Russians would have by mid-1961 was made using the first method. In September, 1961, an estimate was made of the actual number they had on hand. The second figure was 3.5 percent of the first! That's right, *the Russians had produced only three point five percent of what United States intelligence had said they would.*

It needs to be stressed that the enormous stockpile of ICBM's which Washington expected the Soviet Union to build up was many times what the United States was then capable of producing. This was the origin of the famous "missile gap" which played such a big role in Democratic attacks on Eisenhower's military policies and which Kennedy exploited for all it was worth in the 1960 presidential election campaign. But it is now admitted that the Soviet Union embarked upon no such course, that the missile gap was a pure figment of the imagination. Instead, the Russians contented themselves with producing

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

a relative handful of ICBM's—just enough, as Blackett says, to provide what they judged would be an effective deterrent to the West's launching an all-out nuclear attack on the Soviet Union.*

If it is not because of a lack of ability to keep up that the Russians fell behind, then what were the reasons? The answer, of course, is perfectly obvious to anyone who hasn't fallen victim to the paranoiac thinking of Washington cold warriors. The Soviet Union never had the slightest intention of or interest in attacking anyone. And to build more ICBM's (or other weapons) than necessary to deter aggression against the USSR and its allies would be an irrational waste of resources badly needed for economic development and other civilian purposes.

Let us now turn to the question why the United States wanted to keep so far ahead of the Soviet Union in nuclear striking capacity. The most obvious explanation would be that policy-makers believed what intelligence was telling them and acted under the impression that a great effort was needed just to keep abreast of the Russians. This, for example, might have been accepted as a plausible reason for Kennedy's hammering away at the alleged unpreparedness of the United States during the 1960 campaign. But what are we to say of his actions *after* his election, at a time when intelligence was already telling an entirely different story and the missile gap had been exposed as a big lie of truly Hitlerian proportions? These actions are described, approvingly of course, by Senator Symington in the following terms:

> In accordance with his campaign statements, he has ordered a 50 percent increase in the Polaris submarine force to be achieved by the end of 1964, a 50 percent increase in the portion of the strategic bomber force on fifteen-minute ground alert, and a 100 percent increase in our capacity to produce the Minuteman solid-fuel missile.

And all of this while intelligence was reducing its estimate of Soviet ICBM strength by more than 95 percent!

* As far as manned heavy bombers are concerned, the story is essentially the same. According to Symington's figures, actual Soviet strength in these weapons in mid-1961 was only 19 percent of what U.S. intelligence estimates (made in 1956) assumed it would be.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Obviously, we must look for the explanation of United States policy elsewhere than in a faulty estimate of Soviet strength. And here, once again, all mystery disappears once we clear our minds of the noxious smog of Cold War propaganda. Two factors are involved: First, hope of United States policy-makers to be able to achieve such overwhelming nuclear superiority as to enable them either to cow the Soviet leaders into submission or to wipe out the Soviet Union's military potential in one great nuclear Pearl Harbor. This factor has always been implicit in U.S. policy since the first A-bomb was dropped on Hiroshima, and it has been made explicit on many occasions (most notably in Churchill's Fulton, Missouri, speech in March of 1946, delivered in the applauding presence of President Truman; in Acheson's famous "positions of strength" and "seven points" speeches in the spring of 1950; and in John Foster Dulles' doctrine of "massive retaliation," which in the context in which it was propounded meant not retaliation against a nuclear attack by another power but a threat of nuclear retaliation against the Chinese (or anyone else) who might presume to support Ho Chi Minh's guerrilla forces in Vietnam at a time when the United States was supplying hundreds of millions of dollars worth of arms and equipment to the French colonialists and their puppet regime in Saigon). As it became clear that the Soviet Union could not be cowed into submission, this policy gradually veered toward the preventive war doctrine which has always been espoused by an important section of the military establishment. By now, it must be evident to almost everyone in Washington that nuclear blackmail doesn't work. It follows, though probably not very many people understand it as yet, that the only possible military motivation for attempting to build up overwhelming nuclear superiority is the hope of being able some day to win a preventive war. One can be quite certain that no one in the world is clearer on this point than the leaders of the Soviet Union.

The second factor which explains United States military policy is the need to spend more and more billions on the military machine in order to prevent the economy from sinking into the kind of deep depression that prevailed during the 1930's. To make this possible, it is necessary to select a military policy

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

that requires ever vaster arms outlays, and there isn't any that meets this test better than one which aims to achieve overwhelming superiority over an enemy which is itself growing rapidly and hence can add indefinitely to its military strength.

We are perfectly well aware that it is fashionable nowadays to deny that the condition of the American economy depends in any fundamental way on the amount of arms spending. Even the Soviet leaders have publicly taken this position, and within the last few weeks a special UN commission of economists, including representatives from the USSR, Poland, and Czechoslovakia, published a reassuring report that capitalist as well as socialist states could adjust their economies to total disarmament with most beneficial results for everyone concerned. Let those who believe it explain why it is that the U.S. economy is already in a state of creeping stagnation despite an arms budget of more than $50 billion. If it would be so easy to conjure up additional demand to take the place of this massive outlay on arms, why isn't at least enough of it created *right now* to take up the slack in the economy about which everyone so loudly and futilely complains? Let them explain why the recovery from the recession of 1960-1961 has been so weak and faltering despite a step-up in the annual rate of arms spending by almost $6 billion between the last quarter of 1960 and the last quarter of 1961. If arms spending had been reduced instead, would that have made for a more robust recovery? If they answer that the adjustment they have in mind will, of course, have to involve large-scale planning for human welfare, let them explain how they propose to convert the oligarchy which rules the United States to a doctrine and program against which it has always fought with the utmost tenacity, intensity—and success. Until we have these explanations, we shall continue to believe that the need to spend more and more billions on arms to bolster a sick economy is one of the prime motivating forces of United States policy, including its choice of military strategy and ultimate military goals.

The situation, then, is this: The United States has adopted a policy of overwhelming nuclear superiority which makes no military sense whatever unless it contemplates at least the possibility of an eventual preventive war. The Soviet Union, on

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

the other hand, has adopted a policy of the minimum nuclear deterrent which is absolutely incompatible with the waging of preventive war. These propositions are based not on speculation and hypothesis but on the best assessment of the facts available to us.

Against this background, we can throw light on certain crucial questions: (1) Why were the Russians the first to resume testing of nuclear weapons after three years of the voluntary moratorium? (2) Why are the Americans now about to follow the Russians by resuming their own atmospheric testing program? (3) Why are the Russians so adamant on the inspection issue? And why are the Americans so insistent on prior inspection as a condition of any disarmament agreement? We do not pretend to have complete answers, but we do believe that the following partial answers are both true and important.

(1) The Russians resumed testing because they thought it was essential to improve the strength and credibility of their deterrent. We have already pointed out that the Democrats criticized the policy of the Eisenhower administration for its alleged neglect to build up the country's nuclear striking power, and that when Kennedy came into office he promptly moved to increase this striking power by a very large factor. Some Soviet reaction was inevitable. It might have taken the form of a purely quantitative expansion of the number of ICBM's together with bases from which to launch them. But the Russian military apparently believed that a *qualitative* improvement in the deterrent weapons would be more effective. For retaliatory purposes, what is needed is a few ICBM's equipped with warheads of 50 megatons or more—enough to wipe out the enemy's main cities. But to attain such weapons required testing, not only to increase the *yield* of the warhead but perhaps more important to reduce its *weight* so that it could be carried by existing missiles. This policy of qualitative improvement undoubtedly appealed to the Soviet leadership for economic reasons as well: it is infinitely cheaper to produce a new and improved warhead than it is to build additional ICBM's. The Russians' "motive in testing last autumn," says the *New Statesman* (February 16th), "was, it would, seem, simply the fear that the [American] lead was becoming so great that the U.S.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

might be tempted to risk preventive war." No other view, it seems to us, can be squared with the facts which are now available to us.

(2) The proclaimed motive for renewed American testing —"to do only what our own security required us to do" in the words of Kennedy's March 2nd address announcing the new test series—obviously cannot be the real motive. The statement by Gilpatric, quoted above, that the U.S. has a second strike capacity equal to the Soviet Union's first strike capacity, was made *after* the recent tests.* Professor Blackett's judgment that the danger of a Soviet surprise attack is quite negligible, took full account of the Soviet tests. On January 5th, Professor Hans Bethe of Cornell, who headed a panel of scientists charged with evaluating the Soviet tests, told an audience at his university: "We already know so much about atomic weapons that there is very little more to learn. We have weapons of all sizes for all reasonable military purposes."** In the face of statements like these from sources of the highest authority, to say that the United States has to resume testing because "our security requires us to" is to defy all reason and logic. The real explanation is probably a frantic insistence on the part of the military, especially the Air Force, that everything conceivable must be done to restore and increase the American margin of superiority. In the minds of Washington's rabid cold warriors, "security" means the ability to win a preventive war. Fortunately, it is an unattainable goal: the Russians can and will take whatever steps are necessary to maintain the effectiveness and credibility of their deterrent. But as long as it is the guiding star of Washington policy, it will lead us on from one madness to another, with ultimate results too horrible to contemplate.

---

* It is true that when Gilpatric spoke the Soviet tests had not yet been evaluated. Evaluation, however, has not caused the Defense Department to change its view. In an interview reported in the *New York Times* of March 18th (after this editorial was written), Secretary of Defense MacNamara made this clear: "Could the United States absorb a nuclear strike, deliver a counter-blow against the Soviet Union, and still have enough strength to counter third-power blackmail? 'Yes,' said Mr. MacNamara, 'This implies an overwhelming strength. Do we have enough to leave at home to counter a third power?' 'We do.' "

** The text of this address was made public by the Cornell University News Bureau. Whether it was published anywhere in full we do not know.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

(3) Taking account of the facts summarized above, we can readily understand the attitudes of the two great nuclear powers toward inspection. Preventive war is implicit in U.S. military policy. But it cannot be risked unless there is a high probability that the first strike which would initiate the war would eliminate all, or nearly all, of the enemy's capacity for nuclear retaliation. This means that all bases from which retaliatory missiles can be launched must be precisely pinpointed and plans must be made to hit each base not with one but with numerous bombs (the number depending on the probability that any one would be intercepted or fail to hit its target). The United States has, as Blackett demonstrates, built up the necessary numerical superiority in nuclear weapons and means of delivery to implement such a policy. What is missing is exact knowledge of the whereabouts of the bases from which the Russians would launch their retaliatory missiles. And it is here that inspection comes in. If the United States could gain, through an inspection system established in the name of disarmament, accurate information on the location of Soviet launching sites and airfields, the chances of success in, and hence the temptation to start, a preventive war would be enormously increased. Hence Washington's eagerness for as much inspection as possible. Hence, also, the Soviet Union's flat rejection of any inspection not tied to genuine disarmament.

In the light of all this, what are the chances of success at the current Geneva disarmament talks? Very poor, of course. The fact is, and the whole world should know it, that there will be no prospect of fruitful disarmament negotiations until the United States renounces the military policy of overwhelming superiority, with its ever-present threat of preventive war, and accepts the principle of East-West parity. Only then could both sides get down to work on the immensely complicated but at least in principle not insoluble problem of how to maintain parity while reducing the level of armaments all around. Whether that time will ever arrive we do not pretend to know. But we do know that a necessary precondition is a radical change in the political constellation inside the United States. And of that there is as yet no sign.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

SOME LESSONS FROM BRITISH GUIANA

Beginning on page 559 below, we publish an article by Janet Jagan, General Secretary of the People's Progressive Party of British Guiana, describing and explaining the critical events which occurred in that country in mid-February. The information provided by Mrs. Jagan can serve as a salutary corrective to the many misleading and tendentious reports and commentaries that appeared in the United States press at the time. It can also serve as the basis for a discussion of the lessons of the British Guianese experience. It is the more important that such a discussion should be initiated since in some, though not all, respects British Guiana resembles other colonies or ex-colonies which are struggling to establish themselves on firm economic and political foundations. The following brief notes are intended to point up some of the main issues which need to be considered.

(1) The masses in Georgetown—BG's only real city—showed themselves to be totally lacking in political consciousness. Exploited and impoverished, many even without any regular employment or means of livelihood, they were easily manipulated by the money and the coldly calculated demagogy of the oligarchical leadership. It is both pitiful and tragic to see mobs of poor rising up at the behest of those responsible for their poverty against those who are courageously attempting to create the conditions in which it can be abolished. Nevertheless, the phenomenon is familiar and well understood from much historical experience. Marxism has always stressed that the "lumpenproletariat"—and a very large proportion of the urban population of underdeveloped countries necessarily falls into that category—is a potential reservoir from which reaction can recruit its shock troops. BG proves once again the truth of this proposition. The lesson, of course, is that progressive leadership everywhere must redouble its efforts to reach these lowest strata of society, to explain to them the real reasons for their misery, to inculcate in them a sense of solidarity with the working class

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

and the peasantry, to win them over or at least neutralize them in preparation for the long and hard political struggles still to come. What is needed here is not only propaganda and education but also practical assistance to the urban masses in alleviating the intolerable conditions under which they live.

(2) The events in BG prove once again that a government which does not have at its disposal a reliable armed force is not secure no matter how broad its popular base. The overthrow of the popular Arbenz regime in Guatemala in 1954 was a recent illustration of the same principle. In that case, it was an armed incursion from outside which was promptly backed by the government's "own" army that brought down the democratic regime. In the case of BG, it was the Georgetown mob that played the disruptive role. The police, inherited from the former colonial administration, were incapable of controlling the mob and were in any case of very doubtful loyalty to the government. The government's supporters, though numerically a clear majority of the population, were mostly unarmed and geographically dispersed: there was no practical way in which they could be mobilized to play a decisive role in the immediate crisis. There is unfortunately little reason to doubt that the government would have been overthrown if it had not been for the intervention of British troops. The lesson of this experience is crystal clear: the first concern of every government should be to organize a reliable armed force large and strong enough to defend itself against probable internal and external enemies. In the case of BG, the government has been considering this problem for some time, thinking in terms of a militia or national guard which would combine military training with the organization of state cattle-raising farms on empty land in the interior. This should now obviously be treated as a matter of the utmost urgency. Until such a militia has been formed, it is very doubtful whether independence for BG could mean much or last long. An indication of what to expect was given in a dispatch from Georgetown which appeared in the *New York Times* of March 14th reporting certain statements of Peter D'Aguiar, the leader of the reactionary forces in BG, who is opposed to independence under any circumstances and at any

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

time. Raising the bogey of Cuban intervention in BG after independence, D'Aguiar went on to predict a more realistic possibility:

> Mr. D'Aguiar . . . said a revolution against the government of Dr. Cheddi B. Jagan would be a signal for widespread intervention by foreign powers. The opposition leader predicted that in addition to Cuba, Venezuela would act to protect her frontier and that the United States would help Venezuela.

The notion of Cuban intervention is, of course, ridiculous. But Venezuela is a next-door neighbor and the most tightly bound to the U.S. of all the South American countries. Mr. D'Aguiar may even be describing a plan rather than a possibility. The only effective way to prevent this chain of events from developing is to stop it before it starts, i.e., to prevent the uprising which would be the signal for foreign intervention. And the BG government can hardly hope to accomplish this without its own reliable armed force.

(3) Many people must have been puzzled by the manner and timing of British intervention in the February crisis. In the past, the British have done their best to get rid of Jagan and the PPP. If the crisis had continued a few more days, with violence and casualties mounting, the Jagan government would probably have fallen. If the British had then moved in, they would have been able to impose a regime of their own choice, which would of course have been far to the Right of the present government. Why did they instead respond promptly to the government's request for help and thus enable it to weather the crisis?

Anyone at all familiar with the history of British imperialism—as practiced most recently in the Congo, for example—will not believe for a moment that the British government was motivated by legal or moral considerations. In the realm of international relations, legality can always be made to favor the strong over the weak, and morality has very little to do with the case. The British acted as they did because they thought it was in their own interests. The question is why they thought so.

Here we enter the realm of speculation, and the following is to be understood as a hypothesis rather than a statement of

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

fact. But we think that it is a highly plausible hypothesis, and we even expect that in one way or another confirmatory evidence will not be long in rising to the visible surface. The BG crisis has all the earmarks of a CIA job, in the sense that the 1953 ouster of the Mossadegh government in Iran and the 1954 ouster of the Arbenz government in Guatemala were CIA jobs. If Jagan had fallen and the opposition leaders had come to power, they could doubtless count on continued support from the United States, including the badly needed financial and economic assistance which Jagan has urgently requested but not received. In other words, a successful *coup d'etat* would in effect have shifted BG out of the British empire and into the American. That is precisely what happened in Iran, and the British have good reason to remember it with everything but gratitude. Whereas the British had traditionally had a complete monopoly of Iranian oil, after the CIA takeover they were obliged to settle for a mere 54 percent, while Jersey Standard and its American cartel brothers grabbed a juicy 40 percent (the remaining 6 percent went to the French). With this experience in mind, it is hardly surprising that the British government was in no hurry to hand BG over to their great friend and ally from across the Atlantic. Better to keep the Jagan government in power: it would in any case never take BG into the American orbit, and since it would owe its continued existence to British support it might in the future be more friendly to British interests. In addition, the British may have been perceptive enough to realize that Cheddi Jagan can be a valuable ally in coping with the crises that are sooner or later inevitable in the British West Indies. (Anyone who doubts the inevitability of such crises, or their serious nature when they come, will find much food for thought in the brilliant article on Jamaica by Ruth Glass which will appear in next month's MR.)

Whether or not these were the British calculations, things seem to be moving in this general direction. On March 17th Jagan held a news conference in Georgetown. The next day's report in the *New York Times* was headlined: "Jagan Hails Britain for Help to Guiana." It went on to say that Dr. Jagan

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

expressed his appreciation today for Britain's role in guiding the South American colony toward independence. He voiced gratitude also for the British government's effort to heal the bitterness that resulted in riots here last month.

Dr. Jagan said . . . that he was convinced that Britain was willing to give the colony independence provided a satisfactory constitution, with necessary safeguards, could be worked out.

He complimented the British government for having sent Hugh Fraser, Colonial Under Secretary, to make a survey of the situation. The Prime Minister quoted approvingly Mr. Fraser's observation that there was too much talk here about Communism and not enough about economic development.

On the question of establishing confidence, Dr. Jagan said investors could be assured they would receive protection at all times.

In the past, such statements would have justifiably aroused the suspicion that another sell-out to imperialism was in the making. Not so today. The enemy of progress in BG is no longer British imperialism, which in any case has no great future in the Western Hemisphere, but native reaction in double alliance with misguided elements of the country's exploited people and United States imperialism. In fighting against these formidable foes, the Jagan regime needs all the help it can get, including that of British imperialism. For the time being, their interests are the same.

What of the longer run? Obviously, dependence on British support is no lasting solution to BG's problems. Nor can BG hope to emulate Cuba's remarkable feat of establishing its independence on the foundation of economic and political assistance from the faraway socialist bloc: BG is too backward, too underpopulated, too geographically exposed for that. Since nothing good can be expected from the North—we North Americans must admit it with a heavy heart—there remains only one possible answer: in the long run, progress in BG depends upon that country's ability to identify itself with, indeed to merge into the Latin American Revolution which is already in its first stages and is certain to develop with mounting momentum in the months and years ahead. Above all, the fate of BG is and must be tied to that of its great neighbor, Brazil, which

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

is destined to be the leader of a future united socialist Latin America. Politically conscious Guianese must understand this and must lose no time in making make every effort to knit the bonds of friendship and cooperation which will be so crucial to their future.

(March 18, 1962)

In the post-war wedding of the Military and Big Business, it has not mattered to business that in the Warfare State free enterprise becomes a myth, that to an overwhelming degree the welfare of the entire nation becomes dependent upon the arms race and the federal expenditures that keep it going; all of this is completely preferable to the only other visible alternative—the funneling of comparably fantastic billions into "socialistic" programs for better housing, better highways, better schools, better medical care. In the latter program, of course, mere people benefit; in the war game, there are billions and billions of dollars for business, and if that isn't what matters entirely, it is certainly what matters most.

—*Fred J. Cook, "The Juggernaut," The Nation, October* 28, 1961

HIROSHIMA (Kyodo)—A 34-year-old policeman died of leucopenia, believed to have been caused by the 1945 atomic bombing of this city, in a clinic at Fuchu, Aki-gun near here yesterday afternoon.

The deceased, Mamoru Yasuhara, an officer assigned to the patrol section of the Hiroshima Prefectural Police Headquarters, was known to have been detailed for a week to the ravaged city as a rescuer immediately after the A-bomb blast.

—*Japanese Press Clipping, March 4, 1962*

I can say, not merely in courtesy—but as a fact—my Department is your department; the ambassadors, the ministers, and the consuls are all yours. It is their business to look after your interests and to guard your rights.

—*William Jennings Bryan, Secretary of State under Wilson, addressing the American Manufacturers Export Association in 1914, quoted in World Crisis in Oil, by Harvey O'Connor*

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

WHAT HAPPENED IN BRITISH GUIANA

BY JANET JAGAN

The recent events in British Guiana leading to efforts to unseat the democratically elected government of Dr. Cheddi Jagan have their roots in the colonial history of the country. Up to the formation of the People's Progressive Party (PPP) in 1950, colonial domination had not been challenged. Britain had ruled, with almost full control in the hands of the Governor, an appointee of the Colonial Office, supported in the Legislature by representatives of Big Business interests backed by the Established Church of England and the Catholic Church.

The first crack in the closely knit group which controlled the social, economic, and political life of British Guiana came in 1947 when Dr. Cheddi Jagan entered political life as an independent candidate against John D'Aguiar, a representative of business interests. Dr. Jagan won the seat and in the Legislature sounded the first voice heard in the country against colonialism. He meticulously exposed the effects of imperialism in his country, publicized the fantastic profits being made by the British controlled sugar monopoly, documented the stranglehold it had on the economy, and revealed the interlocking directorates of the three daily newspapers which controlled the press and radio.

Following the formation of the PPP under the leadership of Dr. Jagan, pressure was put on the British for the people to have a more direct say in their government. This led to a new constitution in 1953 and the first elections held under universal adult suffrage. The PPP won 18 of the 24 seats, and in its brief 4½ months in office began to reduce the influence of the Big Business-religious clique which had dominated the country for too long.

Mrs. Jagan, who wrote this article at the special request of MONTHLY REVIEW, is General Secretary of the People's Progressive Party. For further comment on the British Guiana crisis, see the editorial which begins on page 553 above.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Two important acts of the PPP government in 1953 caused great consternation. One was the announcement that the dual control of schools would cease. The educational system in British Guiana, much the same as in most colonial territories, is largely controlled by the churches. The state, even though it pays teachers' salaries, does not have responsibility for the employment and promotion of teachers. The move to end their control raised the anger of the churches who used their influence to oust the government. (It is interesting to note that the United Force was organized initially to fight the PPP's second efforts to remove dual control, when it handed over 51 church-controlled schools to the Department of Education in 1960.)

The second important act of the PPP government in 1953 was the introduction of a bill to allow for union recognition by way of a poll of the workers in an industry. This bill, if passed, would have been the death knell of the company union in the sugar industry which had helped the sugar monopoly maintain its high profits at the expense of the workers. The sugar companies had refused to recognize a union which had the support of the majority of workers. British warships arrived to suspend the constitution and oust the elected government as the bill was being discussed in the Legislature. The power of the ruling clique had been challenged, and the forces against any change in the status quo brought pressure on the British government to rid the country of this challenge. For four years the country was ruled by a puppet interim government selected by the Governor.

Back again into full control of the political, economic, and social life of the community came the same group which had been defeated in the 1953 elections. During this period they dissolved the old militant and anti-colonial Trades Union Council and set up a new TUC with a Catholic Church protegé as its secretary, whom they nominated to the Legislative and Executive Councils. He built a completely right-wing TUC, heavily supported by business interests. In 1958, when the TUC sent a mission to the United Kingdom, it raised funds for his expenses not from its members but from the sugar and bauxite companies.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

In the 1953, 1957, and 1961 elections which the PPP won, the business interests heavily backed their own political parties, which lost miserably on each occasion. In the 1961 election campaign, they backed the United Force of Peter D'Aguiar. Mr. D'Aguiar, who comes from one of Guiana's richest and most privileged families, is a producer of rum and owns a profitable Pepsi-Cola factory, and a brewery. He is also the owner of one of the daily newspapers, the *Daily Chronicle*. A leading Catholic, he crusaded with the churches against the ending of the dual control of schools and fought the government viciously in 1958 when it raised taxes on beer. At that time he financed a TUC campaign against the tax on beer.

In the 1961 election campaign, Mr. D'Aguiar used a strange mixture of Moral Rearmament, anti-Communism, anti-Castroism, and anti-independence, receiving lavish aid from the anti-Communist group led by Dr. Schwarz in the United States. That group descended upon British Guiana with mobile film units and hundreds of thousands of volumes of virulent anti-Communist literature. They spent money lavishly and employed Indian agents from abroad to try to influence the East Indian rural community. His party managed to win four seats—two in remote areas largely influenced by Catholic missions and two in upper-class constituencies in the city.

The role of Forbes Burnham and his People's National Congress, which has been the main opposition party since Mr. Burnham (once Chairman of the PPP) broke away and formed his own party in 1955, is perhaps the most difficult to understand. Mr. Burnham, who had his eye on the leadership of the PPP for some time before his bid for it failed, has played a sly political game. It is difficult to assess the character of his party, for it has no specific program, no clear ideology. He has supported independence; he has rejected independence; he has supported it again, but with a proviso—"Not the Jagan-type of independence." His supporters have used a slogan: "A million years under the British rather than one under Jagan."

Mr. Burnham, who was Minister of Education in 1953 and urged the total abolition of dual control of schools, opposed the PPP when it removed church control from 51 schools in 1960. He has supported the entrance of British Guiana into

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

the now defunct West Indian Federation, while at the same time refusing to commit his party to a pro-federation line. He can utter the most militant workers' slogans, and simultaneously join his party in an alliance with a capitalist-backed party, as he did on February 15th.

Mr. Burnham has played with the fire of racial politics, raising the anger of his Negro supporters to a high pitch in the 1961 election campaign when he claimed that the PPP was out to help only the East Indian population because of its emphasis on agricultural development and land distribution. He blamed unemployment, greater in the city, on the PPP, and said that the PPP was deliberately not solving unemployment, neglecting to place the blame on the years of colonial rule. In the 1961 elections he promised that he would win a majority, and this his followers believed. "Kill or be killed," he muttered in a sinister voice during the campaigning. If Jagan wins, British Guiana will become another Congo, his supporters threatened.

The shame of defeat was intense to Burnham's followers. To ease their disappointment, the PNC brought six election petitions, giving new hope to its members that if they won the six, his Party would then have 17 seats in the Legislature against the PPP's 17. (His Party had actually won 11 seats in the August elections.) Three of the election petitions were against the PPP and three against the United Force. But the maneuver failed.

About this time, Mr. D'Aguiar was whipping up support for his anti-independence campaign, soon embracing the anti-budget activities. Pulled along with the hysteria which was building up in Georgetown, and still feeling a sense of injustice over their loss at the polls, many of Burnham's supporters joined in with the D'Aguiar demonstrations in their search for any positive action against the PPP. Mr. Burnham found himself in the awkward position of not being part of the United Force demonstrations against the government, but with a large section of his following participating. He was therefore forced to declare his position. He could not risk ordering his members to pull out, as they had become, by then, emotionally part of the anti-PPP hysteria in the city. Even though his party had been in pitched battle with the United Force in contesting the

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

city seats, he was now obliged to join hands with D'Aguiar in efforts to bring down the government. It is interesting to note here the degree of hostility between the two parties last August. Mr. Burnham lost two Georgetown seats to D'Aguiar's party—two seats which were contested by his most influential candidates, the Secretary of his Party, Andrew Jackson, a trade unionist, and the Chairman of his Party, Mrs. Gaskin, an employee of Bookers, McConnel & Co. (the Sugar Kings of BG).

The budget proposals, which were highlighted in the anti-independence demonstrations, were basically taxes on property, increased taxes on insurance companies (from 15 percent to 30 percent), a capital gains tax, and a gift tax. The budget also introduced a compulsory savings scheme that exacted 5¢ on every dollar *over* the income of $100 per month. This scheme was thoroughly misrepresented, and city workers believed that they would have to pay $5 if they earned a monthly income of $100.

In introducing the budget, Dr. Jacob, first elected Finance Minister, said:

> This is the first budget to be presented to the Legislature of this country by an elected representative of the people. Because of this fact, the occasion is not without some historical importance. The significance of this break with the colonial past will begin to be felt almost immediately as the ground is now being laid to strengthen our economic position and raise living standards by accelerating the rate of economic growth through our own efforts.
>
> No poor country like ours, however, can hope to lift itself by its own bootstraps. It must seek help from external sources, mainly from developed countries; but it must make sure that such aid is not used to create an economy which is slavishly complementary to, or merely an appendage of, that of the lending countries. We have to aim at the creation of an internally balanced, diversified, self-sustaining economy.
>
> Many colonies and former colonies know, to their cost, that foreign investment and foreign aid in the past have often meant no more than the creation of new sources of supply to suit the needs of the foreign powers; the metropolitan-colonial relationship was left unchanged; and there was contributed little, if anything, to the alleviation of the poverty and backwardness of the native populations. . . .

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

The most important reform is to broaden the scope of direct taxation through the introduction of a tax on capital gains, an annual tax on net property, and a tax on gifts. These capital taxes, together with the existing income tax, will constitute a comprehensive and integrated system of progressive, direct taxation which will ensure that the tax burden imposed on the various members of the community is in fair approximation to their true taxable capacity. . . .

One of the new provisions relates to the taxation of companies owned by nonresidents. It is well known that companies which are merely branches or subsidiaries of companies resident abroad can understate their true profits by over-invoicing imports and under-invoicing exports, insofar as they trade with associated overseas companies. I propose therefore to strengthen the Income Tax Ordinance by additional provisions. . . .

The current tax holiday provisions for the encouragement of new enterprises are excessive and of doubtful efficacy in promoting the industrial development of British Guiana. These privileges not only allow a complete tax holiday for 5 years, but also allow all capital expenditures incurred during these 5 years to qualify both for initial and depreciation allowances after the tax holiday period comes to an end. I therefore recommend that the whole of the existing Section be withdrawn. . . .

The history of taxation in British Guiana has been one of avoidance and evasion. Our tax system is a fantastic tangle of iniquities, special preferences and loopholes through which the economy is forced to gasp for breath. Effective action will now be taken to strengthen the hands of the Revenue in regard to prosecution for tax offences. . . .

These were some of the major reforms proposed in the new budget, and it is not difficult to understand that they would meet with hostility from the business interests which Mr. D'Aguiar represents. With the full support of the business community, the press, and heavy bribing throughout the city, the United Force succeeded in raising tempers to a pitch, claiming it was a budget hitting the poor man. The general strike which was called for Monday, February 12th, was supported by the merchants who locked out their employees, thrust placards in their hands, and forced them to join demonstrations or lose their jobs. The demonstrations in the beginning were unique in that

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

big merchants, insurance company directors, and their employees were seen in the streets with the parades.

The strike gained ground when the TUC and the civil servants joined. The civil servants, annoyed that their leave privileges were coming to an end, had been traditionally hostile to the PPP. Under the old colonial regulations, civil servants had been receiving six months leave with pay and paid passages to England for themselves and wives, after a period of 3 to 4 years' service. In an effort to streamline the service and remove these unnecessary burdens on the taxpayers, the government had decided to modify these privileges, but at the same time grant pay increases. The civil servants, unfortunately, wanted both.

The reactionary TUC elements were anxious for any action to bring down the government and called their members out on strike. At the head of the TUC was the President, Richard Ishmael, with the largest trade union membership. His union of 30,000 sugar workers is a known company union, with its large membership based on the check-off system, whereby union dues are deducted by the company at the pay table. Coercive measures force sugar workers to join or lose their employment. An interesting sidelight is that while Mr. Ishmael as President of the TUC issued a strike call, not one of his 30,000 sugar workers joined the strike; all remained loyal to the PPP.

To ease the tension, the Premier announced that he would raise the minimum limit for compulsory savings to $300 per month, which kept it far above working-class incomes. (Average wage for an unskilled worker is $3.04 per day.) This in no way changed the stand of the TUC which argued for a total withdrawal of the tax proposals, claiming that the taxes on companies would affect the workers because employers would make up losses from their pay envelopes!

Thursday the 15th, the anti-government demonstrations were intensified. D'Aguiar and Burnham led mobs defying a proclamation banning demonstrations around the Parliament buildings, which also contained the offices of the Premier and the Finance Minister. The whole character and objective of the movement became clear to all except those engulfed in the frenzy. It was not the budget that was at stake, but the class

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

interests of the capitalists and merchants. The demonstrators were out to destroy Jagan, the PPP, and the goal of independence. Led and organized by a fascist group which had wealth and propaganda in its hands, they were seeking to force either the resignation of the government or a suspension of the constitution.

The PPP was in a critical position. It was electorally stronger than these forces, but its main support was scattered along hundreds of miles of coastland, while its minority support in the city became ineffective. A counter-demonstration of its strength by bringing its supporters into the city could only have produced civil war.

On Friday morning the crowds had reached a high emotional pitch. They were clearly becoming violent as they attacked the electric power plant, which had been made a publicly owned utility by the PPP government, to force a shutdown. They finally became uncontrollable as United Force speakers inflamed their emotions by falsely telling them that the police had killed two children with tear gas.

From then on violence erupted. The mob attempted to storm the Premier's residence; they attacked Freedom House, headquarters of the PPP, and eventually resorted to street fighting, shooting, burning of buildings, and looting. The Premier had requested that British troops which were stationed at Atkinson Airfield (25 miles away) be moved to the city. It was decided that they should come at 1 a.m. on Friday. Instead, they arrived at 3 p.m. after most of the damage had been done. As it was, there was some uncertainty about the police, for they had threatened to join the strike.

The violence has now ceased (early March), although an uneasy calm prevails. The workers returned to their jobs on Monday, February 19th. The PPP and its leader, Dr. Jagan, have, however, emerged with enhanced prestige. The attacks against the government, the efforts to overthrow it by violence, have disillusioned many workers and some elements among those who participated. The Party's support remains as solid as it was at the time of elections, and is perhaps even stronger. The opposition knows that had the Premier given the word, his supporters from the rural areas would have stormed the city, and

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

there would have been even greater violence. Even progressive elements within Burnham's People's National Congress have come to the realization that their party and the working people were tragically misled and used by the forces of reaction. Burnham faces a crisis within his party, precipitated by those who will not accept his alliance with D'Aguiar.

Dr. Jagan has shown throughout the crisis a reassuring calm. His appeal to the PPP's supporters to refrain from reprisals, the restraint he demanded of them throughout the crisis, have evoked unbounded admiration from an increasing number of Guianese.

But serious problems have been left in the wake of the disturbances. Racial animosity between the major ethnic groups of Guiana—East Indians (49 percent of the country's 570,000 population) and Negroes who constitute 35 percent—has been considerably aggravated. A bitterness pervades the atmosphere that will not soon be eradicated. This division of the working people, which has been one of the country's major problems since the split of the PPP in 1955, may now take years to overcome.

The government is now faced with the necessity of reducing drastically the size of the development program, as a result of the modifications in the budget and the loss of revenue on account of the destruction by fires, which has been estimated at $40 million. In addition, unemployment has been increased by those rendered jobless as a result of the fires.

The crisis has, however, not stifled the demands for independence for British Guiana. The conference for discussions on a date for independence goes on as previously planned, in May.

The immediate need of British Guiana, along with independence, is substantial aid to finance a development program sufficient to solve the country's many economic problems. The solution of the country's economic problems will eventually help solve its racial disunity and bring about the unity required to build a strong economy and a strong nation.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

THE PEOPLE'S MILITIA IN THE SOVIET UNION

BY RALPH MILIBAND

This article by Ralph Miliband and the following article by Alexander Balinky throw light on certain developments in the Soviet Union which we think should be of great interest to socialists everywhere, and which have been noticed very little, if at all, in the press.—The Editors

Of all the prospects held out to the Soviet peoples by their leaders, undoubtedly one of the most spectacular is the creation, in the words of the recently published draft of the new Communist Party Program, of "public communist self-government," leading ultimately to the "withering away of the state." This latter formula, which is of course an intrinsic part of Marxist-Leninist doctrine, suggests a gradual and contingent process, rather than the sudden and dramatic disappearance, on an appointed day, of the formal apparatus of state authority and repression. This indeed is how the Soviet leaders envisage it. But they also claim that the process is already under way; and, as one instance of this, they point to the coming into being of the *Drouzhina*, imperfectly translated as volunteer detachments, or People's Militia. This is a very large claim, but the *Drouzhina* is in any case an interesting institution for what it tells of present day Soviet life and values.

There is a sense in which it is accurate to speak of the People's Militia as an auxiliary to the regular police force, since its primary function is to help maintain law and order. But its members wear no uniform; unlike the regular police, they are unarmed; and their only distinguishing sign is the red armband they wear when they are on duty. Nor have they the power to arrest: they may "invite" an offender or, and the distinction is important, someone they regard as an offender, to the headquarters of the People's Militia; or, if occasion warrants, they

---

Ralph Miliband teaches political science at the London School of Economics and is an occasional contributor to MONTHLY REVIEW. He spent a month in the USSR in the spring of 1961.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

may call on a regular police officer to take over. But unless a clear breach of the law has been committed, the People's Militia is expected to rely on persuasion and admonition, on the spot, or at Militia headquarters. The idea is that wherever possible, the arm of the law should not be invoked. Thus a young tough, starting a brawl at a dance might be taken to a quiet room and given a severe talking to by the *Drouzhiniki* present, and these would probably be youngsters of the delinquent's own age. Similarly, an obstreperous drunk annoying people in the street might be invited (in reality marched down) to Militia headquarters, given time to sober up, and then be lectured on the sins of anti-social behavior.

Persuasion, however, involves rather more than lecturing and admonition. The young trouble-maker at the dance would not only be given a dressing-down. The militiamen would also take his name, his address—and his photograph; and, if the trouble were judged serious enough, or if he were known to have made trouble before, his photo (with name, address, and a description of his misdemeanor) would appear in the "window of satire" of the Militia's headquarters. If perchance the offender was a member of the *Komsomol* ("Young Communist League" hardly conveys the full importance of this elite organization of Soviet youth), his case would be discussed at a membership meeting, and he would probably be expelled from the *Komsomol*, or at least put on probation. An offender might also be reported to the Trade Union Committee of his place of work; and, if the case happened to be of some consequence, he would appear before a public meeting convened by the local Comrades' Court. His case would then be fully discussed, with contributions, hostile or in mitigation, from the floor. The Court would then express its view of the matter, and might let the offender off with a warning, or censure him and place him on probation under the supervision of his workmates or neighbors. I can well believe those people in the Soviet Union who told me on more than one occasion that some offenders would rather risk the relative severity of the law than be exposed to this procedure, with the humiliation it necessarily entails.

The People's Militia is intended to achieve a treble purpose: to check anti-social behavior without having recourse to the

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

legal apparatus of formal repression; to encourage offenders to mend their ways by giving the fullest publicity to their misdemeanors and by exposing them to the disapproval of their neighbors and workmates; and, certainly not least important, to help educate others, by this process of participation and public discussion, into a greater sense of social responsibility.

Helping to check hooliganism is an essential part of the *Drouzhina's* functions. But it does a great deal else as well. Thus in Stalingrad, which I found to be very Militia-conscious, the *Drouzhina,* besides undertaking general patrol duties, is also divided into specialized sections: one section is responsible for information and the publicizing of offenses; another for the detection of "social theft," meaning pilfering in factories and shops; another for the protection of neglected or ill-treated children, and for family and welfare problems generally; another for seeing to it that streets and parks are kept clean; the list could easily be extended—not surprisingly since "nothing," it is officially said, "must escape the Militia's vigilant eyes."

In Stalingrad too, a *Drouzhina* newsstand was exhibiting four cartoons when I was there; one of a fortune teller (fortune telling is a legal offense in the USSR); one of a drunken driver; one of the manager of a cafe, with a description of the filthy state of his establishment; and one of a brawling couple—in each case with names, addresses, and a little poem satirizing the culprits. The fortune teller and the drunken driver would in any case have been dealt with by the courts: the *Drouzhina's* publicity was intended as an additional means of warning and public education. Again, at the entrance of an apartment house, I saw two more cartoons, posted up by the Militia responsible for the block: one of an old woman in the habit, so the caption said, of spreading slanderous gossip about her neighbors; the other of a couple, the uncontrolled behavior of whose children was a constant nuisance to their neighbors.

One other function of the *Drouzhina* has recently been much emphasized: this is the detection of "parasites," meaning people neither employed nor studying. A young man or woman without any occupation and living on his or her parents might well expect a visit from a couple of *Drouzhiniki* and be subjected to a lecture on the virtues of work, with pointed re-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

minders of job opportunities in the area. If not maintained by their families, they would need to explain how they managed to keep themselves alive—and the explanation had better be good.

Why, I insistently kept asking factory directors, foremen, party and trade union officials, who were often themselves members of the Militia, why should all this not be regarded as a vast and highly obnoxious snooping system, rather than, as was often claimed, an admirable example of Soviet democracy in action? "Obnoxious to whom?" they would reply; "surely obnoxious only" they would go on, "to parasites, hooligans, drunks, and petty thieves. Why shouldn't these people be checked, reported, and exposed to the condemnation and scorn of their decent, hardworking fellow citizens? And isn't this process of collective education, with the active participation of ordinary people, much more useful and beneficial than the old, official way of dealing with offenders?"

Part at least of the answer to these questions must clearly depend on the organization, character, and attributes of the People's Militia. The Militia came into being in March, 1959, by a decree entitled "On the Participation by the Working People in Safeguarding Public Order in the Country." Its creation was officially described as a generalization of the experience of Young Communist League detachments and other volunteer detachments which had, here and there, been formed to help check hooliganism. Units of the Militia are organized in plants and factories, state farms and collective farms, offices, institutes, colleges, and apartment houses. Unlike most Soviet organizations covering the whole country, the Militia has no all-Union central committee, or even a central executive for each Republic. It is essentially a local, city-based organization, with local headquarters and a city executive. Such higher coordination as there may be is achieved by regional conferences, where the functions, attributes, and problems of the Militia are discussed, experience is pooled, and methods of work reviewed. This decentralization may account for the marked differences in organization and methods which exist from one city to another: to take a simple example, militiamen in one part of the country appeared much surprised to learn that the Execu-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

tive Committee of the Militia in another had organized courses in unarmed combat for its members.

One of the most notable features of the organization is the number of people involved in it. In one engineering plant in Leningrad, employing some 10,000 people, over 500 are in the Militia; in a Leningrad cigarette factory with 2,000 workers, 200 are in it; a ballbearing plant in Moscow with 15,000 workers has 1,000 members; the famous tractor plant in Stalingrad, with 15,000 workers, has no less than 3,500; in contrast, a textile combine in Tashkent, with 16,000 workers, has only 300. The proportions vary greatly from place to place, but the total for the whole country is huge. At the end of last year, there were more than 1,300,000 Militia men and women for the Russian Republic alone.

Furthermore, admission to the Militia is open to anybody over 18 years of age, provided the candidate has a recommendation from his Trade Union Committee, or from a local Party or *Komsomol* Secretary. The application is then discussed by the whole local unit of the *Drouzhina,* whose members, quite likely, know the candidate well as neighbor or workmate. It would not seem that the screening is over-rigorous; in fact, there have been complaints in the Soviet press that the screening was sometimes not rigorous enough and that unsuitable people were being admitted. In October, 1960, *Komsomolskaya Pravda* even spoke of "brutish, primitive people" who had got into the Militia "through confusion," and with dire results.

The Militia of course includes members of the Communist Party and of the *Komsomol,* and these, who are naturally expected to be the most zealous and devoted members, are also expected to give it guidance and leadership. However, the Militia is not a Party organization and Party members do not, it would seem, predominate in the local units themselves; as for the local Executive Committees, Party members in some cases constitute a majority, in others not. But sheer numbers are not, in this instance, of any great significance: the Communist Party does not rely on numbers, in this or in any other organization; it relies on its pervasive influence, backed of course by the power of the state. It would be absurd to think of the Militia as an institution wholly independent of the Party. No institution

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

in the Soviet Union is—if only because any institution will include Party members, in every other respect ordinary Soviet citizens, working in office, collective farms, or factory, but owing supreme allegiance to the Party, with each member a thread in that two way transmission belt which drives the whole Soviet system.

Any unit of the Militia is likely to include a cross-section of the population, from workers at the bench to managers, from surgeons to nurses, from the chief bookkeeper of a plant to office girls of the same plant. Everyone serves on a part-time basis, with patrol duties of only four hours a month, to which must be added service on the specialized committees of the Militia. And, no doubt, *Drouzhiniki,* even when off duty, feel a special responsibility for the maintenance of law and order.

There is no pay attached to service with the Militia, but especially keen and meritorious members may receive an Honors Certificate, or small gifts like a chess set, records, books, or, more seldom, small money rewards of the order of ten dollars or so. These inducements certainly rank a long way behind the genuine desire to perform a civic duty. "I do it," said one foreman in Leningrad, "because I want my family and other people to enjoy the amenities of our city without having to fear drunks and hooligans." "We do it," said a worker in Stalingrad, "to make our city an example to the whole country." No doubt, some people do it for the prestige and even the degree of power that membership in the Militia may help to confer; and others for the proof of civic consciousness which membership is deemed to convey.

It is claimed for the Militia that it has already achieved a substantial decline of hooliganism, and that it has made possible a diminution in the numbers of the regular police. On the other hand, it is not denied that abuses have occurred. The Soviet press itself has carried a number of reports, some of them fairly hair-raising, of arbitrary and brutal behavior of Militiamen against quite innocent people, and there have been cases where Militiamen have used membership in the Militia as a cover for their own propensities to hooliganism.

These abuses are described and denounced in the press, and attributed to insufficient screening of candidates, or to lack of

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

experience. But these, it is said, are no more than teething troubles: screening procedures are improving; abuses of power are being exposed and the culprits expelled. Nor should the magnitude of the task of the Militia be underestimated: a *Drouzhiniki* was recently stabbed to death by a youth because he tried to stop him from annoying a girl in the subway. There have been other cases of assault by hooligans on Militiamen, and of Militiamen being killed in the execution of their duties. The death sentences which are meted out to murderers of Militiamen are, I think, unlikely to shock many Soviet citizens; nor is the harsh treatment of hooligans, speculators, and parasites likely to worry many people whose conditions of life, though now easier, are still hard. Abuses of power are not condoned; but where they are no more than the product of excess of zeal, it is the zeal rather than the excess which is more easily stressed. Quite evidently, my own stress on the potentially abusive aspects of the system was generally thought to be misplaced. "Why do you harp so much on the possibility of abuses?" said an extremely intelligent and sophisticated young Party member. "Why don't you take more notice of the problem we have of checking anti-social behavior?" Such a reaction is not uncommon.

The real problem, of course, is that "anti-social behavior" is not always a precise term. Hooliganism, brawling, drunkenness, even throwing litter in the streets are self-evidently "anti-social behavior" and anything that may be done to check it by comradely admonition and persuasion rather than by threats of legal action is well done. But last December, *Komsomolskaya Pravda* was reporting that in the Black Sea resort of Sochi, Young Communist League street patrols "were literally hunting down young men wearing brightly colored shirts and young women wearing slacks," on the basis of a simple assimilation of unusual apparel to hooliganism. The root of the problem is epitomized in a letter written by two young girls to the same paper. "People who stand out from the general mass," they wrote, "are regarded as *stilyagi*" [zoot suiters]. Institutions like the Militia, in other words, do put a premium upon conformity, even in areas where deviation from the norm has no conceivable anti-social connotations; and they do provide opportunities for intrusion on the part of prigs and zealots for whom *any* devia-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

tion from the norm is by definition anti-social. The danger is acknowledged, and papers like *Komsomolskaya Pravda* do urge more tolerance and broad-mindedness on the part of the men and women who belong to the Militia. These virtues, however, are not readily fostered in emergency and revolutionary circumstances. And it is impossible to travel in the Soviet Union without being made sharply aware that it is a country in a state of permanent revolution, in the sense that its eyes are inexorably directed to the achievement of continuous and enormous changes, epitomized in the slogan "Forward to Communism." It is in this context, I think, that the *Drouzhina* must be seen, in the context, that is, of a society with an officially and rigorously defined code of social behavior, with a constant emphasis on collective endeavor, coupled with the denial of private purpose as antecedent and superior, let alone contradictory to, public purpose. The nearest parallel to the climate in which the *Drouzhina* operates (and even this is a very long way from an accurate comparison) is Britain in wartime, say at the time of Dunkirk, when social or patriotic behavior had much stricter connotations than it is given in peacetime, and when a general sense of shared purpose was readily coupled with fierce disapproval of deviant conduct. Or, to go back much further into history, I think that the Agitators in Cromwell's New Model Army would have found it easy to understand the purposes of the Militia, and would have been eager members of it. And so, certainly, would have been the *sans-culottes* of the popular movement in the French Revolution.

Even within the context of a permanently revolutionary situation, however, an institution like the People's Militia may operate in very different ways. It may be used as an additional instrument of authority's own will, the more effectively since it is so pervasive; or it may serve as an additional means of self-government and collective education; or it may be both at one and the same time, as seems to me to be the case at present. This makes the Militia a somewhat ambiguous institution, which incapsulates legacies of the past, the contradictions of the present, and the promise of the future. Whether, or perhaps more accurately, how soon it is relieved of the legacies and the contradic-

(Continued on Page 578)

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

MR PRESS

BOOKS at special pri

Just published

1. **THE RAGGED TROUSERED PHILANTHROPISTS**
   by Robert Tressell
   List price $6.00 Special Price $3.25

2. **CAPITALISM YESTERDAY AND TODAY**
   by Maurice Dobb
   Flexible cloth binding $1.00

3. **THE PRESENT AS HISTORY**
   by Paul M. Sweezy
   List price $2.95 Special Price $2.00

4. **WILLIAM MORRIS: ROMANTIC TO REVOLUTIONARY**
   by E. P. Thompson
   List price $8.50 Special Price $5.00

Bargains—until June 1

5. **FROM YALTA TO DISARMAMENT**
   by J. P. Morray
   List price $8.50 Special Price $5.00

6. **TIDE WITHOUT TURNING**
   by John Gill
   List price $4.50 Special Price $2.00

7. **NORTH FROM MEXICO**
   by Carey McWilliams
   List price $5.00 Special Price $3.00

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

ɔS . . . *Buy now and save*

On Press

8. **WORLD CRISIS IN OIL**
by Harvey O'Connor
List price $7.50 Prepublication price $4.50

9. **THE EMPIRE OF OIL**
by Harvey O'Connor
List price $5.00 Prepublication price $3.00

10.
Both books by O'Connor in handsome slipcase $7.00

11. **BURNING CONSCIENCE**
by Claude Eatherly and Günther Anders
List price $4.00 Prepublication price $2.25

12. **WELLINGTON ROAD**
by Margaret Lassell
List price $3.75 Prepublication price $2.25

Monthly Review Press 333 Sixth Avenue New York 14, N. Y.

I enclose $..... in full payment for all the books I have checked below:

..... No. 1 — $3.25
..... No. 2 — $1.00
..... No. 3 — $2.00
..... No. 4 — $5.00
..... No. 5 — $5.00
..... No. 6 — $2.00
..... No. 7 — $3.00
..... No. 8 — $4.50
..... No. 9 — $3.00
..... No. 10 — $7.00
..... No. 11 — $2.25
..... No. 12 — $2.25

Name .....

Address .....

City ..... Zone ..... State .....

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

(*Continued from Page 575*)

tions does not depend on the Militia, but on the general development of the whole of Soviet society. On the other hand, the Militia is itself part of that development. It undoubtedly provides a valuable training ground in the assumption of public responsibility for masses of ordinary rank-and-file Soviet citizens; it serves as a reminder that power should be distributed, and exercised by the people themselves; and indeed, this aspect of it is constantly stressed in discussions of the Militia's role. Taken together with the growth of effective participation and decision-making in a large variety of institutions, it could, in time, come to give practical meaning to the notion of the withering away of the state.

This would not usher in a society of individualist anarchism. "Communist society," says the draft of the Communist Party Program, "will be a highly organized community of workingmen. Universally recognized rules of the communist way of life will be established whose observance will become an organic need and habit for everyone." Nor do Soviet Communists claim that the withering away of the state will happen tomorrow or the day after tomorrow. In their eyes, it requires not only the building of a "developed communist society," but the "final settlement of the contradictions between capitalism and communism in the world arena in favor of communism." But they do speak of the disappearance of the state as an instrument of coercion and repression as a realistic prospect, and as a cardinal aim of Soviet society. Speaking of it does not necessarily make it so; but it helps.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

A SOVIET EXPERIMENT

BY ALEXANDER S. BALINKY

In 1954 an existing Soviet foundry in Baku was reorganized as a social laboratory in which to test the Soviet Union's readiness for communism, as contrasted with socialism. My purpose here is to describe the operations of this foundry and to consider their implications for professed broader efforts in the same direction.

It should be stressed that Soviet leaders do not regard the Baku experiment as a test of whether communism "can work." As Marxists they do not question the inevitability of communism. The degree to which Soviet society is ripe for it is what the Baku experiment has been designed to measure. The experiment is also regarded as useful in ascertaining what practical problems under communism need to be ironed out. Today, after half a dozen years of experimentation, the conclusion has been reached that the success of the Baku project proves the economic feasibility of communism at this point in Soviet development.

The Baku foundry specializes in the modification and modernization of existing railroad stock, making special equipment necessary to reconvert railway cars to new purposes. In its present operations as the "Red Proletariat Foundry," it differs from the typical Soviet factory in numerous ways, one of which is the extent to which decision-making has been shifted from management to labor. The principle on which it operates is that the precise balance between worker and management control reflects, at any given point in time, the stage of social development of the participating workers.

Thus far only the "middlemen" of the managerial hierarchy have been eliminated. The foundry is organized into three sec-

---

This is the major part of an article which appeared in the journal *Social Research*, Spring 1961. It is reprinted by permission of the author and the editors. Dr. Balinky is a professor of economics at Rutgers University.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

tions, each section performing a different part of the foundry's task, and there is no further division into shops and brigades. Thus the lower-level decisions, traditionally reached by foremen and brigade leaders, are now made by the workers themselves. But since this factory is only a "First step into communism," major entrepreneurial decisions continue to be made by the Director's office, which coordinates the operations of the three sections. The present hiring procedure is a good example of the labor-management balance that has been attained. The Director decides on the size of the labor force required during a given period, and within each section a committee of workers is responsible for setting the standards and selecting the workers best suited to the needs of the foundry.

Everyone concerned with the Baku project is especially conscious of the Marxist concept (however vague and undefined it is) that under full communism all economic decisions will be made by the workers without benefit of centralized direction—that is, without a managerial type, in our sense of the word. There is constant discussion of when the next step should be taken toward more worker control, and what form it should take. During my visit to the foundry a special effort was made to show me the Director's office, which was without doubt the dingiest feature of the entire enterprise. The point it was meant to illustrate was the psychological downgrading of the status of management. The Director told me that his fondest hope is to see the Baku project progress to the point where the need for his services would "wither away."

The Red Proletariat Foundry currently employs about three hundred workers, of whom 25 percent are women. All of the workers have genuinely volunteered for the experiment (Soviet officials have recognized that the various economic and social pressures used to recruit "voluntary" agricultural labor for the "Virgin Lands Program" would not be consistent with the objectives of the Baku experiment). A high level of technical skill and a record of extraordinary political awareness and reliability were the two qualities sought. Those actually selected normally came from the ranks of groups like the shock workers (*udarniks*) or heroes of socialist labor. Marxist doctrine holds that, even under socialism, not all workers will rise to the same

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

level of social development at the same time. Hence those chosen to participate in the Baku venture are regarded as the closest approximation to the "New Soviet Man," as required by communism, that is thus far available. As such, they are tested for their ability to work in terms of the communist principle of "from each according to his ability, to each according to his need." Several examples will serve to illustrate how this is done in the Red Proletariat Foundry.

The foundry operates on the basis of a seven-hour day, with overtime (even at premium rates) prohibited. Every worker is honor-bound to put in a full measure of his time at work. There are no time clocks to be punched, and no management check over arrival or departure time. The point tested by such rules is whether stiff production norms can be met without administrative compulsion on these counts. The worker's readiness for communism is also checked by the system followed in the payment of money wages. Whenever technically possible, the piece-rate method is employed. The rate to be paid per unit of output is set by the Office of the Director, in line with national policy (the Baku workers earn an average of 800 rubles per month in money wages, which does not represent a significant departure from the national average for comparable work). Every worker keeps his own production record, however, and, knowing the schedule of piece-rates, he calculates the amount of money due him for each payroll period. As in the case of hours, there is no management check on the figure submitted by the worker. Purposely, there is no way to determine which, if any, worker is dishonest. However, any but the most insignificant cheating can show up in the complex set of accounts kept by the Director's office. In a more positive vein, heavy reliance is placed on having innovations come directly from the workers rather than from specialists employed by management for that purpose. Finally, the workers themselves are expected to do everything possible to eliminate waste and inefficiency, without pressure to do so from above. In short, each worker is expected to work to the best of his ability, and without regard for traditional incentives—partly because of his highly developed social conscience and partly because of the intrinsic joy of creative labor.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

The corollary principle, "to each according to his need," is also being tested, though in a more limited way. In addition to money wages, the foundry workers receive a variety of payments in kind. The distribution of some articles and services is based on need, rather than being related to the productivity of the worker. The foundry has, on its premises, such service facilities as a barber shop, a shoe-repair shop, a laundry, and a club house. A worker may have his hair cut or his shoes repaired without charge, as often as he feels the need. He may also bring his clothes to the factory to be washed, ironed, and mended. One of the buildings is entirely devoted to providing the workers with comforts not normally available in the typical Soviet factory. There he can receive medical attention, enjoy the use of a steam room, listen to music, or play chess. Should he prefer gardening, that too is possible. The attractively landscaped grounds are entirely cared for, on a voluntary basis, by the workers.

In all of these cases it is the worker alone who decides how often and how far he dips into the common pool of available services and facilities. More cautiously, the factory's cafeteria makes a nominal charge, though for that amount it serves as much food as a worker feels he needs. At regular intervals all workers receive an equal quantity of some one consumer good; recently, for example, everyone was given two pairs of shoes. The amount distributed bears no relationship to individual productivity. At Baku the principle is that all "cultured" people will have reasonably similar and equal needs. The objective is largely to test whether the workers abuse the concept of need.

Evidence of success, none of which appears to be staged, surrounds a visitor to the Red Proletariat Foundry. The exceptionally clean, quiet, orderly interior and the attractively landscaped grounds provide an ideal setting for an experiment in communism. The efficiency, enthusiasm, and dedication with which the participants work in this modern, semi-automated plant are apparent even to the naked eye. According to the factory's records, absenteeism is a vestige of the past, and labor turnover is practically nil. One out of every five workers is an innovator of some new process, machine, or tool. A large, colorful chart, centrally displayed, shows that since the beginning of

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

the project not a single worker has failed to meet the stiff norm set for his particular job. Many have exceeded their quota by as much as a hundred percent. A bulletin board lists every worker by name in the order of current standing in the race for production.

Literature is displayed, dealing with the latest known machines, tools, and methods relating to foundry operations. Along one of the many flower-lined walks is a large board to which is nailed one specimen of each part used in the foundry's operations. Next to each item is its cost to the plant, in rubles. The caption reads "This is what you cost us through waste." Recently two of the younger workers were married. The wedding and reception took place at the foundry. The couple is now regarded by the others as "our bride and groom." When the Chief Engineer momentarily erred in his explanation of one aspect of the experiment, a nearby worker quickly corrected the minor factual error while continuing to pour his molten lead.

These are only a few illustrations of the factors responsible for the excellent production record of the Red Proletariat Foundry. Elaborate records, both financial and in terms of physical output, labor productivity, and other such criteria are kept by the Director's office. The performance of the Baku foundry is constantly being compared with that of non-experimental foundries as well as with national averages. By any such yardsticks, the Red Proletariat Foundry appears to be, as the Soviets claim, a huge success.

But a high level of production, as such, is not what Soviet officials mean when they declare the Red Proletariat Foundry a "huge success." The foundry's Chief Engineer put the point this way: "We have reduced the role of management, and rely heavily on the honesty, initiative, and responsibility of the workers in decision-making. We have, if only in a limited way, separated reward from individual productivity. We have assumed the cost of distributing many items according to need. The foundry has not only remained financially sound but has a production record which far surpasses the typical situation. We regard this as scientific proof that the USSR has, in fact, entered the first step into communism, and that full communism, at the

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

appropriate historical moment, is [economically] inevitable and feasible."

I am not concerned here with the broader issue of the possibility, inevitability, or desirability of communism. This paper raises only the narrower question of whether the Baku experiment has, of itself, proved that "the USSR has, in fact, entered the first step into communism." The Soviet answer to that question has already been outlined. In addition, there are several considerations on the negative side.

In the first place, the Baku foundry combines traditional incentives with its communist features. Money wages, for instance, reflect individual productivity in much the same way as they do in any typical socialist factory where the piece-rate system prevails. Also, cash bonuses are paid for innovating, for exceeding production norms, or for reducing waste and inefficiency. And even some of the communist features, whatever their intended purpose, can be seen as traditional incentives; for example, the fact that the Baku workers receive certain goods and services free of charge, while the typical Soviet worker does not, simply adds to the economic advantages derived from participation in the Baku project. The choice of Baku as a site for this experiment is itself a strong incentive to productivity. Forming a hilly horseshoe on the Caspian Sea, the city has a temperate climate conducive to year-round comfort. Against all my expectations, Baku turned out to be the most attractive and modern city that I visited in the USSR. I found it second only to Moscow in the variety of consumer goods available, and even the housing shortage, critical throughout the Soviet Union, appeared to be less severe in Baku. An apportunity to live and work there is not exactly regarded by the Soviet people as exile to the provinces.

The official view is that these "vestiges" of traditional incentives are still necessary because the Baku experiment represents only the first stage of communism, and not its full realization. But this in no way answers the question of how far the level of labor productivity is a function of the vestigial incentives, rather than reflecting, as claimed, the behavior of the "New Soviet Man." The Baku foundry provides its workers with a more complex, but not qualitatively different, set of traditional

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

incentives. As a matter of pure economic calculus it pays the Baku worker to maintain a high level of productivity, quite apart from his "social conscience" or the joy that he may experience from the creativity of work.

A second negative consideration arises from the very fact that the particular workers selected to participate in the Baku experiment were chosen because they presumably represent the closest approximation to the "New Soviet Man" thus far. In accordance with implicit assumptions of Marxist theory, it is held that since man is largely the product of his economic environment, the only factor that separates the Baku worker from all others is the element of time. But there is nothing in the Baku experiment that throws any new light on the age-old question of heredity versus environment, or on the singularity of the economic influence. Thus even if we were to disregard the first point, above, and assume that the Baku worker indeed behaves much like the model of the "New Soviet Man," what can we necessarily infer from the Baku experiment about the future behavior of other Soviet workers? It is at least conceivable that society may at all times be composed of a rich variety of people, good and bad, lazy and industrious, selfish and selfless.

In the third place, there is the factor of the experiment itself. The Baku workers are very conscious of their special role and of their "link with the future of Soviet society." Industrial experiments with workers have tended to indicate that the very fact of participating in an experiment—with all of its implications for group dynamics—is an important motivational factor, and one that disappears with the end of the experiment. The famous Western Electric (Hawthorne) experiment pointed to the conclusion that participation as such had a stronger effect on the productivity of the workers than changes, whether of improvement or of deterioration, in the conditions of employment.* Perhaps the lesson learned from Hawthorne is equally applicable to the Red Proletariat Foundry.

---

* See Elton Mayo, *The Social Problems of an Industrial Civilization,* Division of Research, Harvard Graduate School of Business (Boston, 1945); F. J. Roethlisberger and W. J. Dickson, *Management and the Worker* (Cambridge, Mass., 1939). Also Henry A. Landsberger, *Hawthorne Revisited: Management and the Worker, Its Critics, and Developments in Human Relations in Industry* (Ithaca, 1958).

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

And finally, certainly nothing can be presumed from Baku about the timing of the transition to full communism. It would require a far closer study than I was given an opportunity to make to ascertain whether the Baku project is being indirectly subsidized in many ways. In any event, and even if all other considerations were positive, it still remains a fact that the economic abundance required by communism can be created in a "hothouse" way for a single factory, and still be an infinite distance from realization for the society as a whole.

These various considerations suggest the possibility that the Baku experiment proves only that some Soviet organizations, like some capitalist organizations, function more ideally than others. From this point of view Baku can be seen as but a Soviet counterpart of those numerous model factories and industrial experiments that have characterized capitalism almost from its beginning. It can even be regarded as merely another link in a long chain of Soviet motivational techniques designed to increase labor productivity still further.

But the fact remains that however we assess the Baku project, the Soviet regime is taking seriously the broad issue of transition to communism.

Progress in human affairs, whether in science or in history or in society, has come mainly through the bold readiness of human beings not to confine themselves to seeking piecemeal improvements in the way things are done, but to present fundamental challenges in the name of reason to the current way of doing things and to the avowed or hidden assumptions on which it rests. I look forward to a time when the historians and sociologists and political thinkers of the English-speaking world will regain their courage for that task.

—*E. H. Carr, What Is History?*

Many will tell you with mockery and ridicule that the abolition of war can only be a dream—that it is but the vague imagining of a visionary. But we must go on or we will go under. And the great criticism that can be made is that the world lacks a plan that will enable us to go on.

We are in a new era. . . . We must have sufficient imagination and courage to translate the universal wish for peace—which is rapidly becoming a universal necessity—into actuality.

—*General Douglas MacArthur, July* 5, 1961

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

CUBA AND PUNTA DEL ESTE

The following is an editorial which appeared in *The Empire Star* on February 17, 1962. *The Empire Star* is a Negro weekly published in Buffalo, New York. The editorial says, and says well, what every self-respecting liberal ought to be saying. It speaks volumes about the condition of the United States today that in the whole country there are only a handful of periodicals, mostly Negro or avowedly leftist, that have the courage to say it.—The Editors

It is now possible to make an overall evaluation of the recent conference at Punta del Este, the OAS (Organization of American States) meeting. The State Department's Dean Rusk exerted all his efforts, all the weight of the proposed $20-billion U.S. development fund, earmarked for Latin America, and that of assorted Congressional key figures to gain support for the administration's moves against Cuba.

Nevertheless, on the decisive resolution to declare the Cuban government incompatible with the inter-American system, six countries abstained. Of course, Cuba voted against the resolution. The extent of Rusk's failure is apparent when we realize that the total population of the six Latin American countries that balked at Yanqui dictation adds up to 140 million, while that of the thirteen states voting with Rusk amounted to only 55 million.

The most important aspect of Punta del Este is the fact that it took place at all. In this epoch of sweeping worldwide revolt against all forms of imperialist domination, the Secretary of State of the United States labored many days, in full view of the world, not in behalf of the right of self-determination and freedom of choice for Latin American countries, but on behalf of the crudest form of U.S. hegemony over the continent. Coupled with the simultaneous clash with the Canadian government, not a part of the U.S. sponsored hemisphere system, over that government's continuing trade with Cuba, Punta del Este is a throwback to the old-style "big stick" tactics.

It is understandable that U.S. business interests, who can no longer exploit Cuban labor and resources, smart under the impact of the Castro social upheaval. It is also understandable that these interests fear the spread of Castro influence through-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

out Latin America. They share this fear with the large landowners, military chiefs, property-holding religious institutions, and assorted political beneficiaries of widespread illiteracy and lack of educational opportunities.

Merely 1.5 percent of the people, those with 15,000 acres or more, own more than half the farm land in Latin America. Venezuelan oil profits are drained abroad, Chilean copper creates fortunes for foreign investors, the United Fruit Company still holds Central American masses in peonage, shareholders in Electric Bond and Share are clipping coupons and doing well out of Latin American impoverishment. The bloody Duvalier dictatorship in Haiti, Somoza's dictatorship in Nicaragua or that of his successors in office, the military junta in San Salvador, the Stroesser dictatorship in Paraguay which has driven one third of the population into exile, the oligarchic regime in Peru, and the Ydigoras martial law government of Guatemala that has an ever increasing range of opponents in exile or jail or torture chambers, voted straight faced and without a smirk on their faces for the resolutions that "reaffirmed" faith in social progress, representative democracy, commissions on human rights, holding of elections, and of course Kennedy's $20 billion promises of aid to them.

There is no doubt that the foreign ministers of those countries that abstained on the key resolution were doing so for contradictory reasons. Few, if any of them, agree with Castro's policies of agrarian revolution and planned industrialization; few, if any of them, would be capable of his resolute anti-imperialist stand. Partially they fear complete submission for immediate selfish reasons of bargaining mobility. More important is their openly expressed fear of the political explosion at home in the case of full alignment with Rusk. The more democratic countries in Latin America balked most at the expulsion of Cuba vote demanded by Rusk. The crudest dictatorships found it easiest to raise hands with Rusk. As one delegate told newspapermen: Rusk may have to face Congressional committees unless he produces results, but we face being strung up on lamp posts at home if we go along with him.

The argument that Cuba has violated some principle by seeking friends on other continents is weak. No Russian or

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Chinese military bases are known to exist in Cuba. We do know, however, that previous, more pliable Cuban governments have yielded the United States a very substantial naval base in Cuba, Guantanamo. In addition, several European imperialist powers maintain bases on the American continent. Might we point out that Dutch, French, and British colonies and military establishments exist in Latin America? Those territories were not even represented at the meeting at Punta del Este.

The charge that Cuba has interfered in the internal affairs of other Latin American countries and is therefore to be ostracized is debatable, but surely in the year 1962 few people would bother to deny that it was the U.S. Navy that only recently sent ships into the Caribbean waters in an openly admitted act of interference in the Dominican internal conflict. Few would deny, in fact it has been proudly cited, that the CIA organized and financed the overthrow of the democratically elected Arbenz government in Guatemala only a few years ago, and a little bird tells us that President Quadros of Brazil resigned last year in the face of U.S.-inspired pressure from the military high command in his country.

Because most Latin American governments do not reflect the interests of the undernourished and overexploited Indian, Negro, and Mestizo, the peasants and the laborers, because they rest on the support of only such a very slim social stratum of highly privileged families, they are unstable governments. They tend to come and go. What remains are the two real powers and U.S. influence. There is the bloated, well equipped and financed military establishment, officered by men tied to the privileged groups of Latin America. But there is also another, potentially far stronger and historically more progressive social force on this long suffering continent, the exploited masses, their power rarely displayed, but occasionally revealed in some of the unbelievably sudden and violent social explosions that hit Latin American cities. Given honest and resolute leadership this group, with no vested interest to protect, no special priviliges to defend, can elevate the continent by freeing itself from the tyranny now prevailing in even the most democratic of all the Latin American States.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Many of the governments that voted for or against Rusk at Punta del Este may be gone by this time next year. Some will go under the pressure exerted from Washington, others under the impact of the growing drive for social and political freedom. Even during the Punta del Este conference itself, the Betancourt government of Venezuela (Governor Rockefeller need not run for office there, he owns and controls this oil rich country to all intent and purpose) had to use machine guns, tanks, and several thousands of arrests to back its pro-Rusk vote against the population of its capital Caracas. Frondizi of Argentina, who had his foreign minister abstain on the principles of self determination of Latin American countries (Argentina has had adequate experience with U.S. and British interference in its affairs), found himself under the threat of military seizure of power unless he would break diplomatic relations with Cuba. This interference by the generals on behalf of Rusk was hailed and cited with approval in much of the press here in our country.

Yes, governments in Latin America, not firmly linked to the aspirations of the millions, will come and go. Cuba will remain a shining example of what can be done in the war against hunger, disease, and feudal, military, imperialist, and racial oppression. Rusk failed at Punta del Este. His mellifluous Georgian accent could not charm away the reality of Yanqui domination over the continent, could not dull the deep and abiding loathing prevalent south of the border for any politician too obviously stooging for the northern "Big Brother."

Concessions obtained by financiers must be safeguarded by ministers of state, even if the sovereignty of unwilling nations be outraged in the process. Colonies must be obtained and planted, in order that no useful corner of the world may be overlooked or left unused. Peace itself becomes a matter of conference and international combinations.

—Woodrow Wilson, 1907, quoted in World Crisis in Oil by Harvey O'Connor

---

Only the slow, certain hand of reason can engrave truth on the minds of men in a durable manner.

—Condorcet

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

WORLD EVENTS

By Scott Nearing

Twenty Billion Dollar Diplomacy

Uncle Sam's twenty-billion-dollar boost for Latin America's jittery economy opens a new page in United States-Latin American relations. During sixteen post-war years the bulk of Washington's handouts have gone to Britain, France, Germany, and other European capitalist countries that were recovering from war exhaustion and war-engendered bankruptcy. Throughout this period Europe got the choice cuts; Latin America picked up the scraps.

Such an arrangement made sense to the State Department and the Pentagon. Europe, the homeland of 19th-century capitalist imperialism, had been devastated by two paroxysms of wholesale destruction and mass blood-letting in one generation. During the same generation Europe had given birth to a socialist economic and social pattern that was rivaling and replacing capitalism. Consequently it was in Europe that Communism must be thwarted, contained, and exterminated. Therefore it was to Europe that the bulk of United States aid must go. Both Truman's Democratic administration and Eisenhower's Republican policymakers had worked toward this bipartisan foreign policy objective.

Recent events have led President Kennedy's advisers to reject this policy. In its place they are developing a foreign policy built around the assumption that dollars for Latin America will do more to stop Communism and to stabilize and galvanize a stagnant United States economy than an equal number of dollars spent on Europe. The result of this assumption is the President's Alliance for Capitalist Progress in Latin America, with a twenty-billion-dollar spending program that will double and treble United States aid to Latin America during the next decade.

Two factors have been responsible for this about-face in Washington's foreign policy. One is the "miracle" economic revival of Central and Western Europe. The other factor is

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

the amazing effect that the rapid development of the Cuban Revolution has had upon Latin America and Latin Americans.

We have talked with many Latin Americans who have paid visits to Cuba during the past eighteen months. Without exception, and irrespective of their personal political commitments, their verdict has been unanimous: "Considering the short time he has been at work, and considering the difficulties he has faced, Castro has certainly done wonders."

Many young Latin Americans dream of duplicating Castro's successes in their own homelands. Older Latin Americans believe that American imperialism is breaking, at its weakest links, the chain that has bound Latin America to the "American Century" pipe-dream.

European Prosperity—A Second Look

Many words have been written in recent months about the "miraculous recovery" staged by several European economies from the bankruptcy into which they were sinking. This "recovery" must be measured rationally against the background of recent economic history.

It is significant to note the amounts of investment capital which the chief capitalist countries have been exporting during the last few years. Investments in Argentina serve as a good example. Investments from 1959 to 1961 in United States dollars have been:

United States	$193 million
Switzerland	49 "
Britain	31 "
Holland	26 "
Germany	25 "
Canada	22 "
Italy	18 "
France	11 "

(Figures from *Neue Zürcher Zeitung*, December 29, 1961.)

The United States, with about half the total productive capacity of all capitalist countries, invested half of the Argentinian total. Switzerland, which has become a safe deposit vault for capitalists who are losing faith in their own national eco-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

nomies, comes second, with a quarter of the U.S. investment. Britain, until a few years ago the leading exporter of capital, lagged behind Switzerland with one-sixth of the United States total. Holland, another nation small in population but with four centuries of experience in capital export, is fourth. West Germany, defeated, dismembered, stripped of its foreign holdings only fifteen years ago, is in fifth place, neck and neck with Holland and a newcomer, Canada. France, another European nation with a long history of capital export, shows its present economic weakness by dropping into eighth place, with a third of the British, somewhat less than a quarter of the Swiss, and less than one seventeenth of the United States investment.

One swallow does not make a summer, and the strength and weakness of capitalist economies is not shown definitely by the records of one investment market. But the story from Argentina is being repeated with variations in many parts of the capital-borrowing world. The United States economy stands head and shoulders above its European competitors. Britain's economy has been dwarfed to a fraction of its former stature. Holland is holding its own. West Germany is making a spectacular comeback. Canada is moving into fast company. The Italian and French economies are shadows of their pre-1914 selves.

Socialist Trade Unions

Traveling through Eastern Europe these last few months, we had the good fortune to meet rank-and-file members of trade unions, trade union officials, economists, and other specialists who work with trade unions. We came away impressed by their quiet pride in past successes and their firm determination to broaden and multiply the many gains which workers in Eastern Europe have made during the past dozen or fifteen years.

In order to share this experience with MONTHLY REVIEW readers, I would like to describe, in some detail, the present-day activities of trade unions in Rumania.

Rumanian trade unions deal with all problems faced by Rumanian workers. As times change, the tasks of trade unions also change. At the moment, the chief concern of Rumanian workers is to replace feudalism-capitalism-fascism by socialism.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

In conformity with this basic concern, Rumanian trade unions are working along three chief lines: (1) mobilizing the workers to carry out the plans and programs necessary to build socialism in Rumania; (2) improving working and living conditions; and (3) organizing mass cultural opportunities and activities.

Planning is basic in a socialist economy. Each year production and cultural plans are discussed by workers on the job. Trade unions prepare and initiate these discussions. The plan for 1962 received widespread attention. In Bucharest alone, 59,000 workers took part in the discussions and made 35,999 separate proposals for improvements in the plan. One third of these proposals were incorporated in the plan.

Production is organized and rationalized in part by trade unions. Shop meetings are held at least once each month between trade union representatives and those of management. Decisions made by shop meetings must be carried out by the administrators and reports made back to the next shop meeting.

Socialist competitions are arranged in the shops between teams and brigades. Such competition is a vivid expression of the workers' determination to increase and improve production in industries of which the workers themselves are masters.

Trade unions negotiate yearly collective agreements with management. The proposed agreements are printed, posted, and widely discussed in the shops before they are adopted and signed. Each year thousands of worker suggestions are incorporated into the agreements.

Unions assume responsibility for the improvement of working and living conditions and cultural opportunities. Union representatives take part in discussing all laws and regulations dealing with labor security and with social security. They are responsible for technical safety inspection. They agree on work norms and check equipment. Funds for social security are contributed by the state, and are controlled and administered in part by trade union officials. Trade unions own and operate holiday and recreation facilities, rest homes, and summer camps for children. In this area they work with the national tourist offices.

Voluntary civil control teams are organized by trade

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

unions, to check various aspects of public life. More than 5,000 such teams are now operating in Rumania. One of their important tasks is to check the assignment of apartments to workers' families.

Mass culture is organized by Rumanian trade unions, which play a major role in the mass cultural revolution which is sweeping Eastern Europe. All cultural opportunities are now open to the workers and farmers and their families. Many of these opportunities are free. Where there are charges, such as admissions to theaters or trips to rest homes, the amounts are low enough to be paid easily from current income.

There is no village without a house or center of culture where meetings, concerts, and movies are shown. Extensive culture equipment, controlled and operated by trade unions, is installed in 276 clubs and houses of culture located in cities and towns. In enterprises and establishments there are 4,400 "culture corners," with places to sit and read the newspapers, magazines, and books. There are now 5,482 local libraries, with more than ten million volumes on the shelves and 1,100,000 regular readers and borrowers.

Unions operate 344 movie houses. They publish a central newspaper *Labor,* and many periodicals, reviews, and culture guides. They also publish 36 shop newspapers in large enterprises and many local papers in towns and smaller cities. They conduct 6,500 amateur culture groups of musicians, artists, and nature lovers with 121,000 members.

These are the chief activities of Rumanian trade unions. Their aim, the building of socialism, is closely allied with the aims and activities of the Rumanian Workers Party.

Odds and Ends from the Socialist World

Hungarian educators are offering teen-age boys and girls a wide range of opportunities. Grammar schools prepare for university courses in the humanities, sciences, and engineering. Paralleling the grammar schools are technical schools which prepare for 60 different branches of industry, for 6 branches of agriculture, and 6 branches of trade, transportation, and commerce. In addition to these 72 specialized training schools for technicians, there are 19 kinds of schools in which tech-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

nicians can reach a higher level of technical competence. In the United States these schools would be called engineering colleges. The aim of these technical schools is to round out a general education with theoretical and practical training for all of the chief professions and trades. Needless to say, in Hungary, as in all the socialist countries, all of these training schools are free from bottom to top.

* * * *

In Rumania, Bucharest's central twelve-year music school has been admitting gifted children of seven years and upward. Last year the school authorities decided to organize a class of six-year-olds ambitious for musical careers. When this decision was announced, more than three hundred six-year-olds applied. The candidates were tested in various ways for musical ability and general talent and imagination. Sixty children were admitted to the school, which has a total student body of 600 and a teaching staff of 120, drawn from the best available talent in Bucharest's musical world. Rumania has 50 elementary and high schools specializing in music. Tuition is free.

* * * *

By storing gasoline in the entire wing-space of IL-18 turboprop airliners, Soviet planes are flying the five thousand miles from Moscow to Vladivostok non-stop and in just over eleven hours.

* * * *

Bulgarian refrigerator trucks, bearing the name "Bulgaria" in large letters on both sides of the huge truck body, are carrying perishable foodstuffs, raised in Bulgaria, to points as far away as Scandinavia and Western Europe. Bulgarian fruits and flowers, flown to Central and Western European markets, reach their destinations on the day they are picked. The trucks carry return cargoes of Western products useful for the Bulgarian market.

* * * *

Hungary and Japan have made a trade agreement under which Hungarian tool steel, machine tools, and electro-technical equipment will be exchanged for Japanese-made consumer goods.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

BOOKS

WHO GOVERNS IN AMERICA?

BY H. H. WILSON

There is no more important problem confronting the United States than the inadequacy of its governmental structure. It is marked, and perhaps most obvious, in the undemocratic and unrepresentative character of the House of Representatives; but it is apparent throughout that the American political system is incapable of providing leadership abroad, formulating long-range national policy, or establishing the locus of responsibility at home. With the growth and concentration of capital, of control over science and technology, of sources of information in private hands, the incapacity of our political institutions becomes daily more hazardous. It has long been recognized that one requirement of a democratic representative system is the ability to locate and hold responsible those who make crucial decisions affecting the lives of its citizens and the quality of its society. The checks and balances of the American system make this impossible and simultaneously strengthen the irresponsible power of private governments which are not and never have been crippled by an 18th-century notion of the separation of powers.

To ask "who governs in America?" could be the beginning of wisdom and the opening of a public debate that conceivably could reverse the social stagnation that has beset this society since 1938. There is little point in publicizing wordy compilations of "Goals for Americans," or issuing Presidential appeals for personal sacrifice so long as our political institutions inhibit effective leadership and prevent the formulation of national policy.

A fundamental contribution to this debate has been made in *The Politics of Oil* (Macmillan, 1961. $7.50.) This is a significant book. It may very well be a great book; only occupational reticence inhibits so straightforward a declaration. In 500 pages Professor Robert Engler, Sarah Lawrence College and Columbia University political scientist, has impeccably documented the fact that American political institutions are incapable of either controlling in the national interest the private government of a major industry,

H. H. Wilson is Professor of Politics at Princeton and a frequent contributor to MR.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

or maintaining even the fiction of representative government. These may seem harsh words and perhaps even Professor Engler would not subscribe to them. They are justified, however, by the facts he has so meticulously gathered. "The central consideration emerging from the analysis of the politics of oil," he himself concludes, "is the incompatibility of a socially irresponsible system of power with the goal of a truly democratic society. A corrosion of democratic principles and practices pervades wherever the interests of private oil and public policy meet."

A word or two on the origins of the book is in order. Originally Engler intended a brief monograph on the politics of the tideland oil controversy, but in the course of his research on this subject he gained an insight into a far more significant issue—the role of the oil industry in and its impact on American political processes, institutions, foreign policy, and public opinion. The result is that this book is much more than an examination of a single industry, for the seven or eight years of intensive research that have gone into it have resulted in a document that challenges all of the easily mouthed assumptions of a "free society." One other observation is perhaps worth recording in these days of foundation grants for team research, methodological fixation on the insignificant, and Cold War scholarship—Engler did this colossal research task himself. He labored through the "documents", he interviewed the scores of individuals involved; he did the legwork and wrote the book virtually without assistance. This is not an unimportant example to set for our younger students. It may also be noted in passing that this book, along with Harvey O'Connor's *The Empire of Oil* and Eugene V. Rostow's *A National Policy for the Oil Industry,* is one of very few contemporary accounts of the oil industry that was not subsidized by the industry itself.

To provide a case example of the way in which oil permeates an entire community, Engler opens with a detailed analysis of the reaction in North Dakota after oil was discovered in that state in 1951. The fear that a radical tradition might still survive led to an extensive public relations campaign planned by the Oil Information Committee of the American Petroleum Institute. Oil spokesmen visited schools and colleges to deliver the message; mailings were sent to all state legislators; advertisements were placed in the newspapers encouraging, in the process, friendly editorial reception; lawyers were retained by the oil companies throughout the state; members of the clergy were consulted on community relations; and newspapermen were cultivated. Here we have a typical use of the "two-way street" conception of responsible corporate behavior. One probably can never precisely measure the impact of such pub-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

lic relations campaigns. But one *can* note that in North Dakota there was tremendous popular receptivity to the private demands of the industry, there was even a "grass roots" protest against any move for a higher oil tax. Though the "radical" Farmers Union took no decisive position, its regular lobbyist worked effectively to push through a low tax rate and the sanctified 27½ percent depletion allowance.

Engler concludes that all this cannot be "accurately depicted as the evil and powerful corporations versus the good but helpless citizenry." For in fact, the oil industry is more aware of social responsibilities than are most industries. The significant thing, repeated throughout the country, is that "there have been few individuals and no groups whose primary focus has been the formulation of a long-range public policy for regulating the conservation, production, distribution, and marketing of oil. Where people have gotten worked up, it seems to have been largely in terms of 'What's in it for me?' "

The sheer scope and magnitude of the industry dictate a compelling interest in its operations and responsibility. More than one quarter of the land area of the United States is under lease for oil and gas exploration, a fact with considerable political implication; the domestic oil industry has gross assets of over $60 billion; it is the largest single purchaser of capital goods, absorbing 8 percent of the national steel output in 1955; the military establishment spent over $1 billion on petroleum products in 1958; oil is the biggest single item in international trade and in United States foreign investments; and the industry employs approximately two million individuals in exploration, production, transportation, refining, and marketing.

Some twenty corporate giants provide the private government of these tremendous assets. Though the myths of the "small man" and competitive controls are widely disseminated — the American Petroleum Institute estimates there are about 42,000 oil businesses in addition to 181,000 service stations — the "activity takes place within a carefully structured framework that precludes the mutual destruction through competition of the participants." The fact is that the major companies are fully integrated and achieve control by predominant ownership of reserves, patents, pipelines, tankers, railroad tank cars, refineries, research funds and personnel (the twenty majors account for 90 percent of the industry's research funds and personnel). All this serves to insure control, to make certain that the supply of crude and the refinery runs do not upset the pricing system. In general, these major companies share the same economic outlook and political philosophy. They appreciate the function and role of big organizations; they are frequently linked with one another

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

through interlocking stockholders, directorships, and common banking institutions. Wherever possible, the giants cooperate, despite occasional and sporadic marketing rivalries. There are, of course, differences and conflicts within the industry. Independent producers, jobbers, and dealers do express dissatisfaction with the giants over prices, imports, development of new fields. Nonetheless this hardly serves as a protection for consumers or society. "Countervailing power" is a myth. In the end the "independents" follow the leaders, for they are fully aware of their relative weakness in any showdown with the giants.

The oil industry thoroughly understands the necessity for planning; its history has been that of evolving techniques for creating order. It also has a sophisticated appreciation for the power and potential of the modern state as an instrument to be used either for public or private control. Essentially realistic, rather than ideological, industry leaders seek to use public government wherever their own private government is inadequate to achieve industry objectives. But "the industry wishes to be the arbiter of when and where government assumes responsibility affecting oil. If any action is taken, the industry demands an active role in policy and administration."

War and the permanent war economy have provided the driving force and the rationale for a merger of public and private government. Constant effort is devoted to obtaining immunity from antitrust legislation. All public research that might upset the industry's private planning—e.g. in shale oil, synthetic rubber, atomic energy—is closely scrutinized and limited when possible. "Civil servants responsive to a wider public than the interests of oil are judged threats to the 'American way.'" Thus the reappointment of Leland Olds to the Federal Power Commission was blocked; and under the Eisenhower-appointed chairman, Edward F. Howrey, the Federal Trade Commission managed to eliminate or demote career civil servants in the Bureaus of Antimonopoly and Economics, including those who had worked on the international oil cartel report. The result has been that during national emergencies "government" personnel are largely recruited from the industry. "The oilmen in government generally became full-time public officials, with the differences between their government incomes and their previous salaries taken care of by the private employers." This has meant that "every policy and administrative decision fell under the scrutiny of the industry." And the government neither sets standards nor demands industry conformance to broader public policies. During the oil shortage crisis when Egypt blocked the Suez Canal, federal officials even though they had authority under the Defense Production Act, refused to exercise that authority. They actually competed with one another in dis-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

claiming any responsibility over production, prices, or profits, preferring to rely on the voluntary action of the industry. Defense Mobilization Director Arthur S. Flemming explained that it "was not appropriate for me as an official in the executive branch of the government to comment on the price situation, in view of the fact that the government is not in that business." The result: "the oil price rise . . . meant an additional annual cost to the consumer of one billion dollars, including a minimum of $85 million to the Armed Forces. . . ."

A similar pattern has developed in the international arena as oil industry diplomats, supported by the State Department, conduct their private negotiations with the heads of foreign governments. Inevitably, the economics of oil and the massive nature of the organizations involved force the industry toward a world government of oil. Seven integrated oil companies dominate the international oil scene. They hold two thirds of the world's proved reserves; control the bulk of world production, refining, and cracking; hold the major pipelines and command the tanker fleets, regardless of ownership. Five American firms have gross investments overseas of an estimated $9 billion, control 64 percent of Middle East reserves, 70 percent of production in Canada, and 68 percent in Venezuela. Never completely free of national power rivalries tending to disturb a smooth functioning control, the spectre of Soviet oil disrupting existing agreements over markets and prices haunts both government and industry officials. The Department of Interior has already requested the National Petroleum Council, made up of top executives of the oil industry, to make a study of the impact on the West of oil exports from the Soviet bloc. In this as in other industries, private capitalism seems destined for some rude competitive jolts as planned economies make their impact felt in world markets.

There will be, as there have already been, efforts to discredit the contributions to realistic political analysis contained in this book. Though honest men may be reluctant to accept some of the implications of Engler's findings, they will be hard pressed to challenge his facts. Authoritative individuals active in the industry carefully read and criticized the manuscript and concluded, as did the editor of a leading oil newsletter, that this "appears to be a very substantial document. His facts seem impeccable. His conclusions at times are too harsh. But the important thing is that Engler approaches his subject first and foremost as a citizen." The fact is that this is a restrained and thoughtful book. Engler leans over backward to avoid a simple-minded "muckraking" approach, and he is not naive about the hazards involved in concentrated power whether it be in public or private hands. He does not argue that

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

the power of oil has been limitless, that the industry gets everything it wants, or that public and legislative policies have been totally inept. But he does force the serious re-examination of traditional democratic political assumptions, the premise of pluralism, the rights of property, the uses of government, and the meaning of citizen participation. Given the reality of the politics of oil, what meaning can be given to political democracy?

Engler's constant emphasis is that "the problem for society is the existence of such systems of private power, backed by billions of dollars, with the capacity to distort government and politics at every point of contact." This analysis of the oil industry documents the incompatibility of vast concentrates of private power with a system premised on diffused political power. The cost of drift, of this disparity of power, is apparent and revealed by this industry in its wartime dealings with the Nazis and I.G. Farben, the withholding of research data, the elimination of competition from synthetic fuels, the opposition to public welfare measures in health, education, and social security, its privileged tax position, and the perversion of foreign policy. In this situation "a corrosion of democratic principles and practices pervades wherever the interests of private oil and public policy meet."

It is an exercise in futility or deceit to talk of countervailing power, the growth in public responsibility of business leaders, the moderating effect of "potential groups," reliance on Berle's notion of the "Lords Spiritual" (college professors) to check the "Lords Temporal" (the businessmen). "Unfortunately, 'countervailing power' does not account for the continued concentration of economic power and political privilege."

In Engler's view, regulation must remain ineffective and negative unless it is placed within the framework of a broader social policy. Therefore what is required is the public planning of all energy resources and coherent economic planning. Whether this can be accomplished, or even made the subject of public debate, without public ownership of the sources of economic power remains doubtful. It is certain that "to allow such private power to rule in the name of individual liberty or national security is to thwart political democracy." And "to be paralyzed by such bogy terms as 'socialism' is to admit the inevitability of corporate rule."

Good historians, I suspect, whether they think about it or not, have the future in their bones. Besides the question: Why? the historian also asks the question: Whither?

—E. H. Carr, What Is History?

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

MR PRESS BOOKS

		List Price	Price with Sub
CAPITALISM YESTERDAY AND TODAY by Maurice Dobb		$1.00	$6.00
AMERICAN RADICALS Harvey Goldberg, Ed., paper		1.25	6.00
AMERICAN LABOR IN MIDPASSAGE Bert Cochran, Ed., paper		1.25	6.00
MAN'S WORLDLY GOODS by Leo Huberman, paper		1.75	6.00
CUBA—ANATOMY OF A REVOLUTION by Huberman and Sweezy	paper	1.75	6.00
	cloth	3.50	7.00
THE ALIENATION OF MODERN MAN by Fritz Pappenheim	paper	1.25	6.00
	cloth	4.00	8.00
THE PRESENT AS HISTORY by Paul M. Sweezy	flexible cloth binding	2.95	7.00
GUERRILLA WARFARE by Che Guevara		3.50	7.00
CROSSING THE LINE by Claud Cockburn		3.50	7.00
AN ESSAY ON ECONOMIC GROWTH AND PLANNING by Maurice Dobb		3.50	7.00
THE JAZZ SCENE by Francis Newton		4.00	8.00
THE WALL BETWEEN by Anne Braden		5.00	8.00
THE CHINESE ECONOMY by Solomon Adler		5.00	8.00
THE POLITICAL ECONOMY OF GROWTH by Paul A. Baran		5.00	8.00
NORTH FROM MEXICO by Carey McWilliams		5.00	8.00
THE THEORY OF CAPITALIST DEVELOPMENT by Paul M. Sweezy		6.00	9.00
THE RAGGED TROUSERED PHILANTHROPISTS by Robert Tressell		6.00	9.00
THE GREAT ROAD by Agnes Smedley		6.75	10.00
CASTE, CLASS & RACE by Oliver C. Cox		7.50	10.00

Monthly Review Press 333 Sixth Avenue New York 14, N. Y.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

A Book Announcement

BY THE EDITORS

We are proud to be able to announce to MR readers that on June 4th, MR Press will publish the American edition of BURNING CONSCIENCE by Claude Eatherly and Günther Anders.

Claude Eatherly, as too few Americans know, is the pilot who flew the lead plane over Hiroshima and gave the go-ahead signal to drop the first A-bomb. Later, appalled by the terrible deed in which he had participated, Eatherly sought in many ways to express his profound feelings of guilt and to persuade his countrymen that there must never again be another Hiroshima or Nagasaki anywhere in the world.

In 1959, the German philosopher Günther Anders, now living in Vienna, read an article in NEWSWEEK about Eatherly, who was then in a Veterans Administration mental hospital in Waco, Texas. Anders wrote to Eatherly, and this was the beginning of a correspondence which continued for two years before it was interrupted by forces beyond the control of the two men. BURNING CONSCIENCE is the record of this correspondence, plus a number of other letters written by Anders in connection with the Eatherly case. It contains a Preface by Bertrand Russell, the foremost British advocate of nuclear disarmament; an explanatory Foreword by Robert Jungk, the Viennese journalist who has written several books and many articles about nuclear weapons and the scientists who created them; and a "Postscript for American Readers," written specially for this edition by Anders.

BURNING CONSCIENCE not only tells the absorbing story of Claude Eatherly and his courageous struggle to cope with a problem which is really as much ours as his. It is also, we believe, a historic document which, if read by enough Americans, can become a powerful force for national sanity and peace. We earnestly commend it to your attention and solicit your aid in securing for it the widest possible circulation.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

The price of BURNING CONSCIENCE will be $4. But we are setting the prepublication price—in force until June 4th—at the low figure of $2.25 (five copies for $10). We want all MR readers to take advantage of this prepublication price, not only for themselves but also for their friends, acquaintances, and organizations. We are convinced that you can provide them with no better weapon with which to carry on the struggle for peace.

Please use the order blank on page 577 NOW.

Capitalism Yesterday and Today

by MAURICE DOBB

A popular and penetrating study of modern capitalism by Britain's outstanding Marxian economist, who is a Fellow of Trinity College, Cambridge University.

80 pages paperback size
Bound in MRP's new flexible cloth binding

Only $1

A bargain for MR readers . . .

Tide Without Turning

by JOHN GILL

Before the Civil War, the battle against Negro slavery was waged by the Abolitionists. Elijah Lovejoy fought for the right to print their side in his newspaper. He was lynched by a mob. This book tells the dramatic story of Elijah Lovejoy and his fight for freedom of the press.

List price—$4.50 256 pages, clothbound

Special to MR readers $2

Send your order, with payment enclosed, to
Monthly Review Press 333 Sixth Avenue New York 14, N. Y.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

CONTENTS OF VOLUME XIII

Author	Title	No.	Page
Aguirre, Manuel Augustin	*Report From Ecuador*	10	456
American Artists and Writers	*A Declaration Of Conscience*	5	230
Anonymous	*A Letter From Cuba*	11	511
	Terror, Despair, and Silence In Ethiopia	8	352
A Research Physician	*Man-Made Diseases*	7	303
A Traveling Observer	*The Coming Latin American Revolution*	11	505
Balinky, Alexander S.	*A Soviet Experiment*	12	579
Baran, Paul A.	*The Commitment Of The Intellectual*	1	8
	Cuba Invaded	¾	84
Bettelheim, Charles	*Economic Planning In Black Africa*	7	310
Cárdenas, Lazaro	*Letter To The United Nations*	2	88
Casey, Robert D.	*The Military Coup In South Korea*	6	271
Cassandra	*Ill Fares The Land*	11	514
Castro, Fidel	*Indemnity For Prisoners*	¾	92
Crosby, Alexander A.	*The Philadelphia Seven*	1	34
	The Sheltered Life	8	371
Editors, The	*A Book Announcement*	12	604
	On The Price Of MR Press Books	8	375
	Where We Stand	1	46
Ferry, W. H.	*Mugsborough, Unlimited: A Review*	11	530
Guevara, Che	*Cuba And The U.S.*	5	222
	Cuba: Exceptional Case?	¾	56
Higgins, James	*A Preview Of History? A Review*	5	225
Huberman, Leo	*The Truth About Cuba*	2	60
Jagan, Cheddi	*Socialism And Democracy*	10	461
	Where I Stand	6	262
Jagan, Janet	*What Happened In British Guiana*	12	559
Kunitz, Joshua	*Exploring The Cold War: A Review*	10	480
Lamont, Corliss	*Labeling Regimes*	1	38
Landau, Saul	*An Honest Liberal: A Review*	11	534
McWilliams, Carey	*Liberty In The Warfare State*	10	446

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Author	*Title*	*No.*	*Page*
Miliband, Ralph	*The People's Militia In The Soviet Union*	12	568
Moment, F. V.	*Korea And U.S. Policy In Asia*	1	19
Morray, J. P.	*Cuba And Communism*	¾	3
	Disarmament, Germany, And Testing	6	252
Nearing, Scott	*World Events*	In every issue except ¾	
Newman, James R.	*A Modest Proposal— Let Our Children Go*	7	299
O'Connor, Harvey	*An Interview With General Cárdenas*	2	80
Officers of the ILWU	*The American Labor Movement*	5	213
Pappenheim, Fritz	*Reflections On "Freedom: Promise And Menace": A Review*	11	539
Reno, Philip	*Fascism And Schizophrenia: A Communication*	5	210
Review Of The Month	*Algeria, Vietnam, And Punta del Este*	11	497
	One Day's Paper	10	433
	Some Lessons From British Guiana	12	553
	The Common Market	9	385
	The Continuing Crisis	5	193
	The Criminal Invasion Plan	1	1
	The Frankenstein Monster	7	289
	The Kennedy Doctrine	2	49
	The Menace Of Preventive War	12	545
	The Resumption Of Testing		
	by Leo Huberman	6	241
	by Paul M. Sweezy	6	244
	The Sino-Soviet Dispute	8	337
	To Aid Or Not To Aid	8	347
	What Kind Of Reform?	6	248
Richards, Alice	*Marriage And Divorce In The USSR*	9	416
Riha, Jeanne	*A New Death Valley*	5	205
Robinson, Joan	*Has Capitalism Changed? A Review*	6	265
Schleifer, Mark	*Cuban Notebook*	¾	72
Special Correspondents	*Two Reports From Cuba*	9	406
Steparius	*Spain Today*	8	362
Stevenson, Philip	*A Note On Ernest Hemingway*	10	475
The Empire Star	*Cuba And Punta Del Este*	12	587
Wilson, H. H.	*Who Governs In America? A Review*	12	597
World Events by Scott Nearing		In every issue except ¾	
Zilliacus, Konni	*Britain And The Common Market*	9	397

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

MONTHLY REVIEW ASSOCIATES

invites you to hear

Ralph Miliband
of the London School of Economics

on

"WORLD SOCIALISM AND WAR"

Date: Monday, April 16, 8:30 P.M.

Place: Fraternal Clubhouse, 110 W. 48 Street, N. Y.

Admission: $1 in advance . . $1.50 at the door . . Associates free

Send for tickets to
Monthly Review Associates 333 Sixth Ave. N. Y. 14. N. Y.

SANITY

A Magazine Devoted to Peace and Disarmament

Devoted to the achievement of peace and disarmament, SANITY is concerned with critically analyzing the cold war and alternatives to destruction. The Editors invite you to subscribe, contribute manuscripts and, if possible, make a financial contribution to SANITY.

Partial Contents of Volume I, Number 2—Spring, 1962:

Prospects for Disarmament *by Joseph P. Morray*
Unity in the Peace Movement *by Donald M. Bluestone*
Washington Project: *An Appraisal by Richard Roberts*
Review of Seymour Melman's *The Peace Race*

SUBSCRIPTION: $1.00 for 4 issues. SINGLE COPY: 35¢

Mail to: SANITY, P.O. Box 2015, Madison 5, Wisconsin

☐ Enclosed is $..... for ..... subscription (s). ☐ Gift
☐ Enclosed is $..... for ..... single copy (copies)
☐ Enclosed is $..... for a contribution

NAME .....

STREET .....CITY.....ZONE.....STATE.....

(*advertisement*)

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

(*continued from inside front cover*)

$10, prepublication $7. *Please* don't wait until next fall and then tell us how expensive the O'Connor books are. Buy them now while they are available at bargain-basement prices!

Additional book news: *The Ragged Trousered Philanthropists* by Robert Tressell, published March 30th by MR Press, is a novel of working-class life in England in the early 1900's. Now we are pleased to announce the forthcoming publication of *Wellington Road* by Margaret Lassell, an account of working-class life in England today. *Wellington Road* is a journal written by the author during a period of living with a family in a new British housing development. In Britain, where the book came out two months ago, it was so well received that it was immediately rushed into a second printing. In his review of the book, Malcolm Muggeridge, former editor of *Punch*, said, "I found it utterly enthralling, deeply moving and nightmarish beyond anything by Dante or any of the other purveyors of the horrors of human existence." We hope to have the MRP edition ready in two months. The list price will be $3.75, but until publication date you can buy your copy for only $2.25. See page 577 for order blank.

Unfortunately, a line was omitted from Fritz Pappenheim's review of Scott Nearing's *Freedom: Promise and Menace* which appeared in the March issue. The sentence beginning on line 5, column 2, page 541, should read: "Even if people have freedom of contract or the right to elect their legislators, they remain at the mercy of the *labor market when they are* workmen or employees; of the changing phases of the economic cycle when they are businessmen; etc." The italicized words were omitted from the published text.

MR readers active in the peace movement (we hope that includes you all except CIA analysts) will want to know of an initiative being taken by a group of citizens, many of them Cornell faculty people, in Ithaca, N. Y. and the surrounding region. They have organized a "Committee for Peaceful Alternatives of the 33rd Congressional District" and are planning to run a candidate for the U.S. House of Representatives in next fall's election. Whether or not their candidate is elected, they will have an ideal platform from which to educate the voters of their region on the real issues facing the American people today. We would like to see such local candidacies undertaken all over the country.

MR readers in the New York area will be interested to know that the *National Guardian* will hold a Guardian Forum on the theme "The Issue Is Peace," Tuesday, April 17, at 8:00 P.M. at the Hotel Diplomat, 108 W. 43rd St. Speakers will be Dr. Philip Morrison, noted physicist; Mrs. Dagmar Wilson, founder of Women's Strike for Peace, who will recently have returned with a U.S. women's delegation to the Geneva Disarmament Conference; and David Wesley, foreign correspondent and UN writer. Tickets are $1.50 and 75¢ for students.

The next MR Associates meeting will be held on Monday, April 16, at 8:30 P.M. at the Fraternal Clubhouse, 110 W. 48 St. Professor Ralph Miliband whose articles in MR have been among the most popular we have ever run, will speak on the subject "World Socialism And War."

As we go to press we learn with regret of the untimely death of our good friend C. Wright Mills. His was one of the few voices courageously raised in defense of decency and sanity. We mourn his loss.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Now on press . . . a big book of 448 pages

WORLD CRISIS IN OIL

by HARVEY O'CONNOR

PART I—The World of Petroleum Today

1. The Big Seven

PART II—Petroleum across the Seas

2. Russia Challenges Standard
3. The Rise of Royal Dutch/Shell
4. The Oil War: 1900-1914

PART III—Petroleum in Peace and War

5. Fruits of World War I
6. War and Peace
7. After Achnacarry

PART IV—Petroleum in Latin America

8. Latin America—The Plundered Continent
9. Mexico: The Torchbearer
10. Venezuela: Dance of the Concessions
11. Venezuela: Dictatorship and Democracy
12. Venezuela: The Captive Country
    A Note on the Cultural Penetration of Venezuela
13. Brazil: The Petroleum Is Ours
14. Argentina: Triumph for the Cartel
15. Chile: Pride in Oil
16. Bolivia: The Aborted Revolution
17. Peru: Standard's Province
18. Colombia: Tropical's Paradise
19. Central America
20. Trinidad: United States vs. Britain
21. Cuba: In Revolution

PART V—Petroleum in the Near East

22. The Wealth of the Near East
23. The Conquest of Iran
24. Iran Recaptures Its Oil
25. The Mesopotamian Prize
26. American Breakthrough on the Arabian Gulf
27. The Treasures of Ibn Saud
28. Arabia's Rise to Independence
29. Kuwait: The Golden Hinge
30. The Rim of Arabia
31. In the Land of Egypt
32. Who Owns the Sahara?
33. The Arabs Look to the Future

PART VI—The Soviet Union and the World Market

34. The Soviets in the World Market
35. The Decline of the Cartel

List price—$7.50 **Prepublication price—$4.50**

Also: a reprint of THE EMPIRE OF OIL, by the same author. Both books together in a handsome slip case, at the special prepublication price of $7.00.

Send your order, with payment enclosed, to

Monthly Review Press 333 Sixth Avenue New York 14, N. Y.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED